



Ernie Fletcher  
Governor

Mark David Goss  
Chairman

Teresa J. Hill, Secretary  
Environmental and Public  
Protection Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

John W. Clay  
Commissioner

Timothy J. LeDonne  
Commissioner  
Department of Public Protection

June 18, 2007

Honorable William W. Davis  
Attorney at Law  
Stoll Keenon Ogden, PLLC  
2000 PNC Plaza  
500 W Jefferson Street  
Louisville, KY 40202-2828

RE: Case No. 2007-00235

Edmonson County Water District  
(Construct, Finance, Rates; 278.023)

APPLICATION OF EDMONSON COUNTY WATER DISTRICT (1) FOR A CPCN  
AUTHORIZING CONSTRUCTION OF MAJOR ADDITIONS AND IMPROVEMENTS , (2)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received June 14, 2007 and has been assigned Case No. 2007-00235. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at (502) 564-3940.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell  
Executive Director

BOD/tw



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Department of Public Protection

Honorable Robert D. Meredith  
Attorney At Law  
100 East White Oak Street  
Leitchfield, KY 42754

June 18, 2007

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June 18, 2007

Nelson Sanders  
Manager  
Edmonson County Water District  
P. O. Box 208  
1128 Highway 259N  
Brownsville, KY 42210

RE: Case No. 2007-00235  
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Sincerely,

Beth O'Donnell  
Executive Director

BOD/tw

RECEIVED

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

JUN 14 2007

In the Matter of

THE APPLICATION OF EDMONSON COUNTY WATER DISTRICT, EDMONSON, WARREN, GRAYSON AND HART COUNTIES, KENTUCKY, (1) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING CONSTRUCTION OF MAJOR ADDITIONS AND IMPROVEMENTS TO ITS WATER SYSTEM, (2) SEEKING APPROVAL OF REVISED WATER SERVICE RATES AND CHARGES AND (3) SEEKING APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES.

PUBLIC SERVICE ) COMMISSION

) CASE

) NO.

) 2007-00235

The Applicant, Edmonson County Water District, Edmonson, Warren, Grayson and Hart Counties, Kentucky (the "District"), acting by and through its Commission, respectfully tenders this Application and requests that the Public Service Commission of Kentucky enter its Order pursuant to KRS 278.023 and 807 KAR 5:069 issuing a Certificate of Public Convenience and Necessity authorizing the District to construct major additions and improvements to its water system (the "System") for the purpose of furnishing an adequate supply of pure and potable water for domestic, agricultural and commercial use in the District, approving the adjustment of the District's water rates and charges and approving the issuance of certain securities by the District. In support of this Application and in conformity with the rules of the Public Service Commission, the District states as follows:

1. The District was created by an Order entered by the County Court of Edmonson County, Kentucky, on March 20, 1967, as a consolidation and merger of the North Edmonson County Water District and South Edmonson County Water District. In addition to the District's service area in Edmonson County, areas of Hart, Warren and Grayson Counties have been annexed to the District. The District is now, and has been since its creation, regulated by the

Public Service Commission of Kentucky, and all records and proceedings of the Public Service Commission with reference to the District are incorporated in this Application by reference.

2. The governing body of the District is its Commission, which is a public body corporate, with power to make contracts in furtherance of its lawful and proper purposes as provided in KRS 74.070. In conformity with KRS 74.020(1)(a) the County Judge/Executive of Edmonson County, Kentucky, with the approval of the Fiscal Court, has entered appropriate orders from time to time appointing and reappointing Commissioners who were and are residents of the District. The present District Commissioners and officers are Jimmy Mills, Chairman, Jackie McCombs, Secretary-Treasurer and Harold S. Stewart. The mailing address of the District is 1128 Highway 259 North, P. O. Box 208, Brownsville, Kentucky 42210, Attention: Nelson Sanders, Manager.

3. In order to finance water service facilities and improvements, the District has previously issued, and there are presently outstanding, the following revenue bonds and obligations payable from the revenues of the System:

- (a) Water System Revenue Bonds, 1994 Series A and B;
- (b) Water System Revenue Bonds, 1994 Series C;
- (c) Water System Refunding Revenue Bonds, Series 1996A;
- (d) Water System Revenue Bonds, Series 1997;
- (e) Water System Revenue Bonds, 2001 Series A and B;
- (f) Water System Revenue Bonds, Series 2003; and
- (g) Assistance Agreement with Kentucky Rural Water Finance Corporation dated April 27, 2004

There are also outstanding certain subordinate obligations of the District (Kentucky Infrastructure Authority loans) which are payable from and secured by a pledge of the revenues of the System subject to the priorities of the bonds described above.

4. The District's consulting engineers, GRW Engineers, Inc., Nashville, Tennessee (the "Engineers"), have prepared a Preliminary Engineering Report and a Final Engineering Report as well as detailed plans and specifications for the construction and installation of proposed major additional water facilities and improvements (the "Project") to serve the District. The Preliminary Engineering Report dated July 2005, and the Final Engineering Report dated May 2007, are appended hereto as Exhibit A and Exhibit B, respectively. These Exhibits contain, among other things, descriptions of the Project, cost figures, proposed water rate adjustments and other pertinent data.

It is the opinion of the Commissioners of the District that the public health, safety and general welfare of the citizens and inhabitants of the District will be promoted and served by the construction of the Project and the financing thereof as herein described.

5. The District has caused public advertising to be made according to law soliciting competitive bids for the construction and installation of the Project; has received, opened and considered the construction bids; and has filed with the United States Department of Agriculture, Rural Development ("USDA"), the data prepared by the Engineers showing the bids received and the recommendations of the Engineers with respect thereto. USDA has approved the District's proposed award of the best bids as evidenced by the USDA letter of concurrence in the bid awards appended hereto as Exhibit C.

The District hereby states, through its undersigned Chairman, that the proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:066, Section 4(3) and (4), Section 5 (1), Sections 6 and 7, Section 8(1) through (3), Section 9 (1) and Section 10; that all other state approvals or

permits for the Project have been obtained; that the proposed water rates of the District will produce total revenue requirements as set out in Exhibit A; and that construction of the Project is expected to begin on or about July 15, 2007, and to end on or about May 15, 2008.

6. The proposed adjusted water rates and charges of the District are set out in a Notice of Adjustment of Water Rates, which is appended hereto as Exhibit D and is being published in the legal newspapers in Edmonson, Warren, Grayson and Hart Counties. Newspaper clippings evidencing such publication in those newspapers are also appended hereto as a part of Exhibit D. The proposed water rates and charges have been approved by USDA, as shown in Exhibit E hereinafter described.

The District further represents that, based upon the projections of the engineers and the financial studies of USDA, the proposed schedule of water service rates and charges will be adequate to amortize the proposed Bonds identified in Section 8 below and to cover other annual debt service and other costs.

7. The estimated costs of and sources of funds for the Project are set out in Exhibit B and in Exhibit E identified below.

8. As shown in Exhibit B and in Exhibit E identified below, the District proposes to finance, in part, the construction and installation of the Project by the issuance of its bonds, to be styled "Water System Revenue Bonds, Series 2007A and Series 2007B" (the "Bonds"), in the total principal amount of \$1,720,000. The Bonds will be issued on a parity with the outstanding water system revenue bonds described in Section 3 of this Application.

The District has entered into a loan agreement with USDA pursuant to which USDA will make two loans to the District in the total amount of \$1,720,000, to be represented by the Bonds.

The Series 2007A Bonds, in the principal amount of \$1,200,000, are expected to bear interest at the single rate of 4.375% per annum. The Series 2007B Bonds, in the principal amount of \$520,000 are expected to bear interest at the single rate of 4.125% per annum. Appended hereto as Exhibit E are copies of letters from USDA to the District setting forth terms, conditions and understandings relating to the loan, together with related USDA correspondence regarding the principal maturities of and interest rates on the respective series of Bonds.

With reference to the proposed issuance of the Bonds to USDA, the proceedings relating thereto will provide for the public advertisement of competitive bids for the Bonds according to Kentucky law; and in the event a bid or bids are received for the Bonds at an interest cost basis to the District more advantageous to the District than the loan commitment of USDA, the Bonds will be sold to such other bidder; however, it is not expected any more favorable bids will be received in view of the interest rate to be stipulated by USDA. The Bonds will not be delivered to USDA until such time as approximately the amount of the Bonds has been spent on the Project. This procedure is in accord with USDA rules requiring interim financing of USDA projects to the amount of the USDA loan. Accordingly, construction of the Project will be instituted and funded initially from the proceeds of an interim financing loan to be obtained from the Kentucky Rural Water Finance Corporation ("KRWFC") at a rate not expected to exceed 4.50% per annum. The interim loan will be secured by (i) the undisbursed proceeds of the interim financing loan and (ii) the proceeds of the Bonds when delivered to USDA according to USDA practices and procedures.

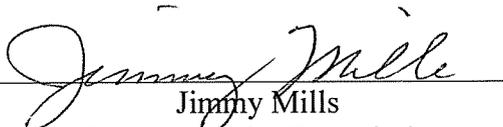
Interim financing is also available to the District from USDA in the event other interim financing sources are not available or are unreasonable.

9. The Commission of the District respectfully represents to the Public Service Commission that there is a genuine need and demand for the Project and that the Commission should enter herein its Order, in compliance with KRS 278.023 and KAR 5:069, (a) issuing its Certificate of Public Convenience and Necessity pursuant to KRS 278.020 authorizing construction and installation of the Project, (b) approving the proposed schedule of water rates and charges and (c) authorizing pursuant to KRS 278.300 the issuance of \$1,720,000 principal amount of Water System Revenue Bonds, Series 2007A and Series 2007B, by the District as described herein.

WHEREFORE, the Applicant, Edmonson County Water District, respectfully requests that such Order be issued.

Respectfully submitted,

EDMONSON COUNTY WATER DISTRICT

By   
Jimmy Mills  
Chairman of the Commission

  
Robert D. Meredith, PSC  
100 East White Oak  
Leitchfield, Kentucky 42754  
Telephone: (270) 259-4068  
Counsel for the District

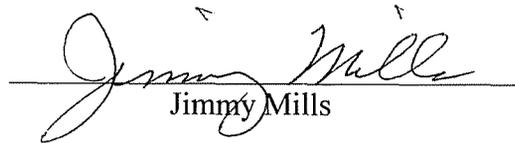
  
William W. Davis  
Stoll Keenon Ogden PLLC  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, Kentucky 40202  
Telephone: (502) 560-4257  
Bond Counsel for the District

\* \* \*

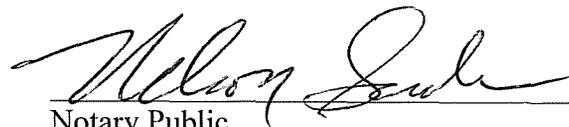
COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF EDMONSON )

I, Jimmy Mills, being first duly sworn according to law, state that I am Chairman of the Commission of Edmonson County Water District, Edmonson County, Kentucky, that I have read the foregoing Application, and that the statements of fact set forth therein are true and accurate to the best of my knowledge and belief.

WITNESS my signature this 6 day of June, 2007.

  
Jimmy Mills

Subscribed and sworn to before me this 6 day of June, 2007. My commission expires  
6-15-09.

  
Notary Public  
Commonwealth of Kentucky



PRELIMINARY ENGINEERING REPORT

FOR

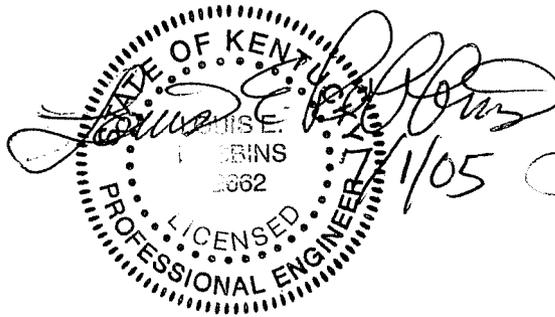
EDMONSON COUNTY WATER DISTRICT

EDMONSON COUNTY, KENTUCKY

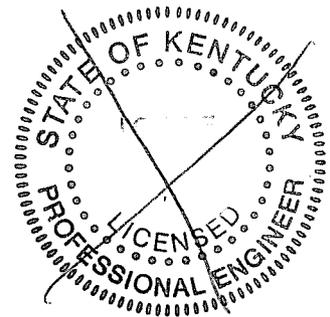
WATER SYSTEM IMPROVEMENTS  
AND  
WATER LINE EXTENSIONS

PROJECT NO. 7771

JULY 2005



GRW ELROD DUNSON, INC.  
404 BNA DRIVE, SUITE 201  
NASHVILLE, TN 37217  
(615) 366-1600  
FAX (615) 366-0406



OFFICIALS  
FOR THE  
EDMONSON COUNTY WATER DISTRICT

COMMISSIONERS

Harold S. Stewart, Chairman

Jackie McCombs

Jimmy Mills

MANAGER

Nelson Sanders

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### EXHIBITS

1-15. Proposed Water Lines	2-17
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### APPENDICES

A. RD Summary Addendum
------------------------

## I. INTRODUCTION

### A. Purpose

The purpose of this Preliminary Engineering Report is to investigate and present the feasibility of extending water lines of the Edmonson County Water District into previously unserved areas and to evaluate the ability of the existing facilities to continue meeting the needs of the system's customers. Since its formation in 1966, the District has experienced steady growth and has seen increased requests for water service extensions from area residents due to the unreliable and often contaminated private well systems required without a public water system. Because of the continued growth, some of the existing facilities are in need of upgrading for increased efficiency and capacity. The District's Wax Water Treatment Plant is also in need of improvements to meet current regulations for disinfection by-products.

### B. Project Area

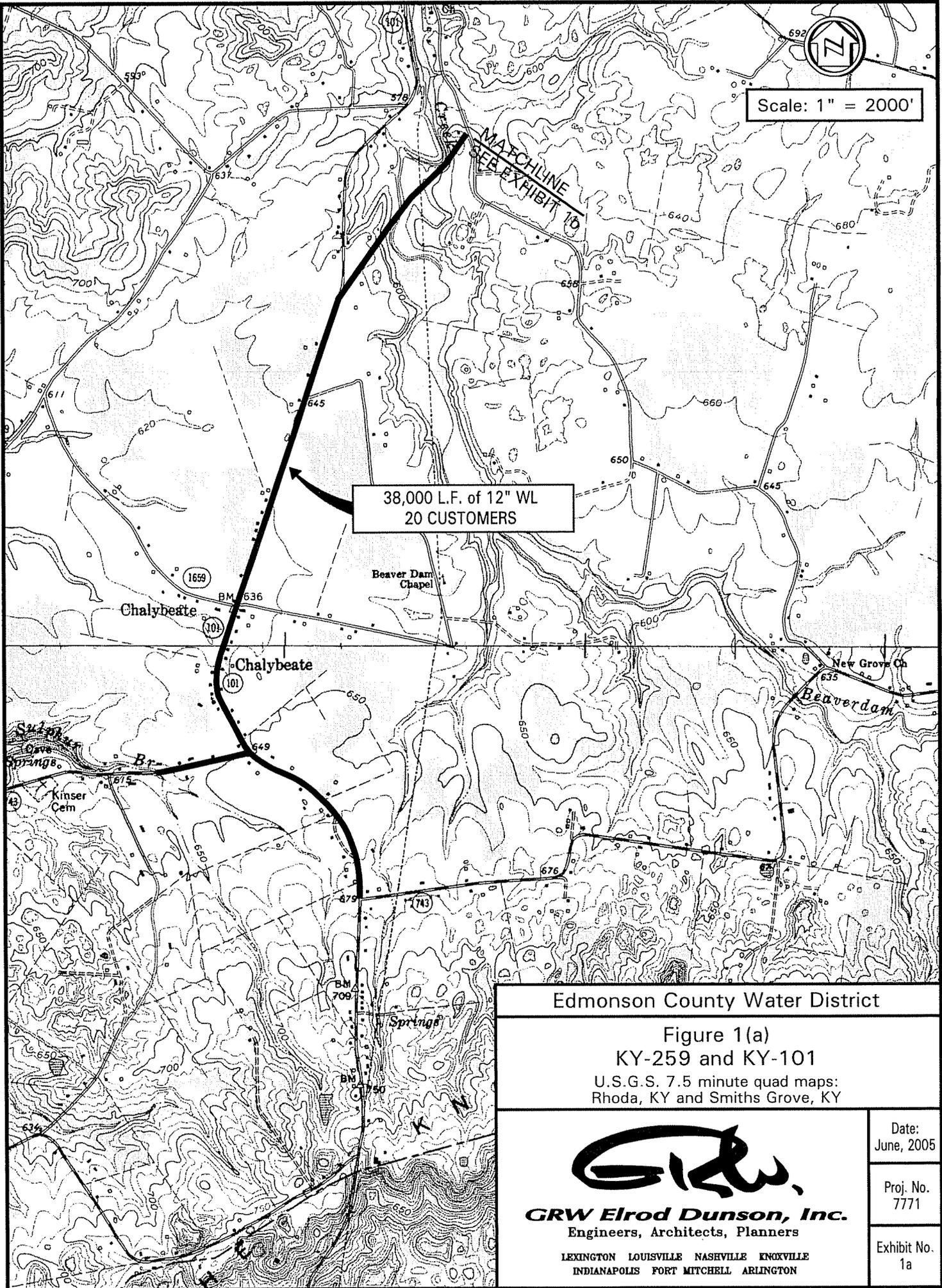
The Edmonson County Water District was formed to serve all areas in Edmonson County, except areas inside the Mammoth Cave National Park, and also to serve parts of Warren, Grayson and Hart Counties.

The attached maps (15 sheets) show portions of the existing water system and the proposed water line extensions and improvements as follows:

1. KY 259 and KY 101 (Fig. 1)
2. Ollie Rd. (Fig. 2)
3. L. Stice Rd. (Fig. 3)
4. Dickie Sanders, Sulphur, and Penner Rds. (Fig. 4)
5. John Miller Rd. (Fig. 5)
6. Tony Houchins Rd. (Fig. 6)
7. Ward Watt Rd. (Fig. 7)
8. Bill Parsley Rd. (Fig. 8)
9. Malcolm Doyle Rd. (Fig. 9)
10. Mt. Zion Rd. (Fig. 10)
11. P. Lindsey Rd. (Fig. 11)
12. Hawks Rd. (Fig. 12)
13. KY 1214 (Fig. 13)
14. Roy Logsdon Rd. (Fig. 14)
15. KY 1140 (Fig. 15)



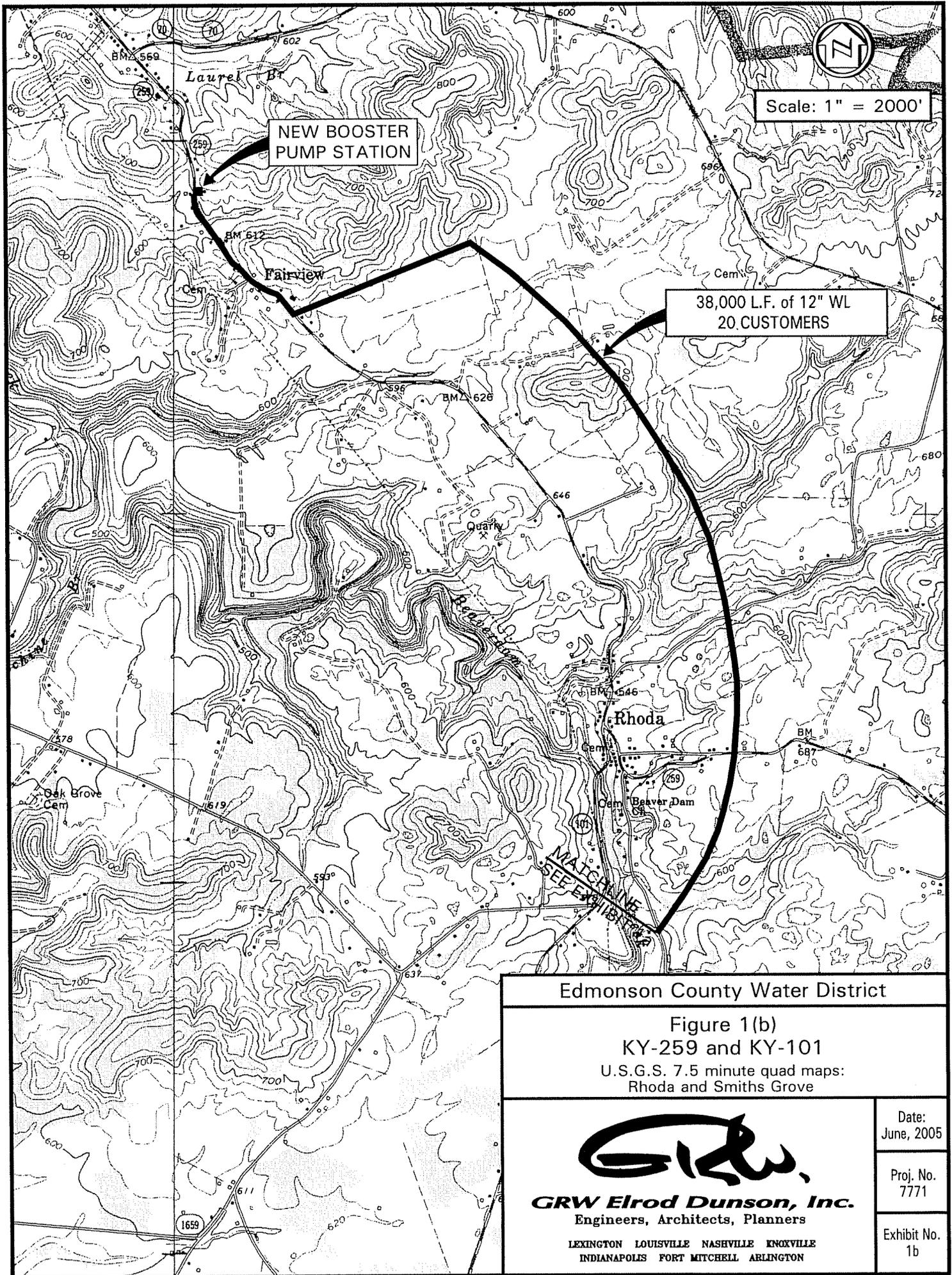
Scale: 1" = 2000'



Edmonson County Water District

Figure 1(a)  
KY-259 and KY-101  
U.S.G.S. 7.5 minute quad maps:  
Rhoda, KY and Smiths Grove, KY

 <b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON	Date: June, 2005
	Proj. No. 7771
	Exhibit No. 1a

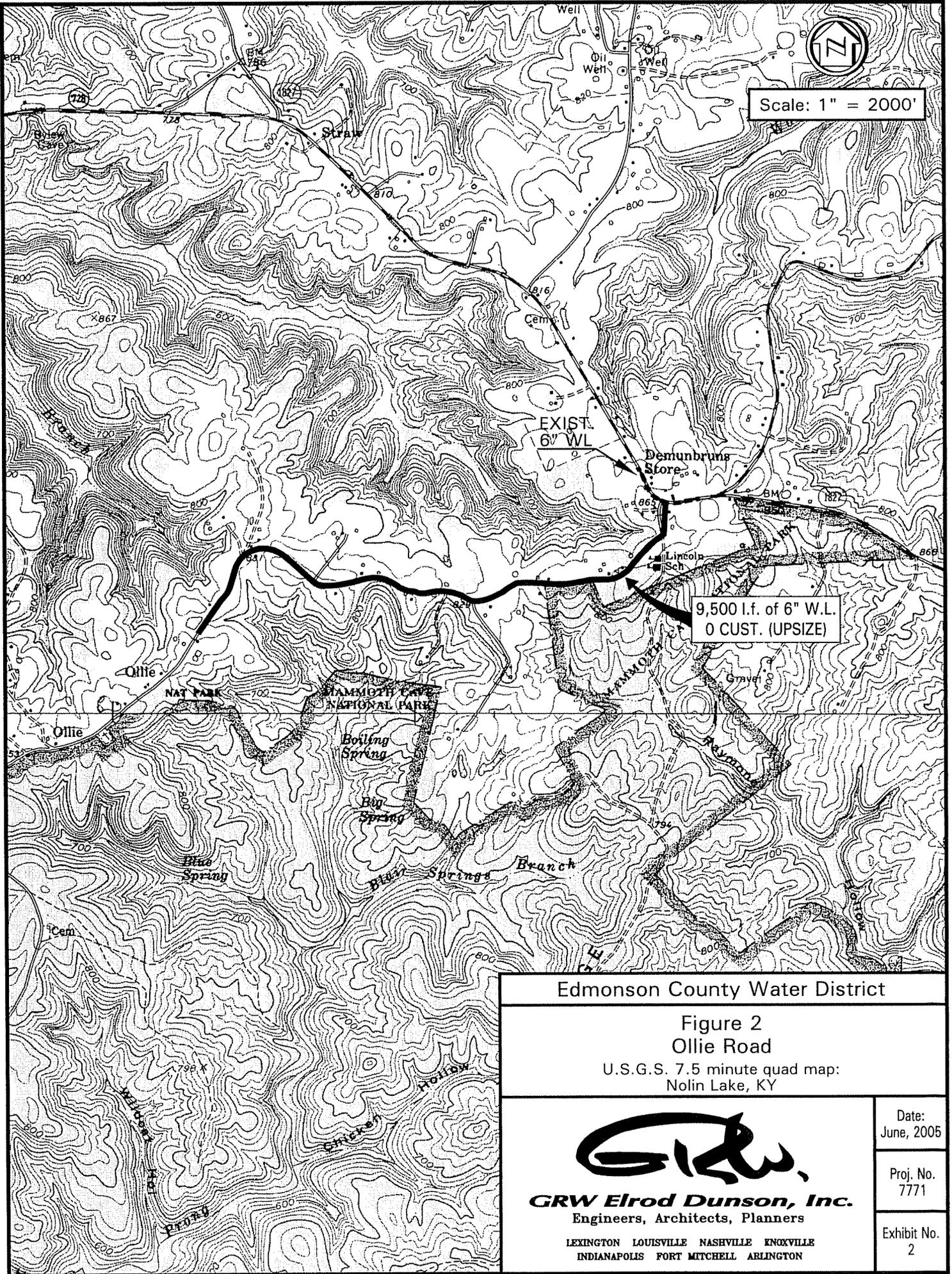


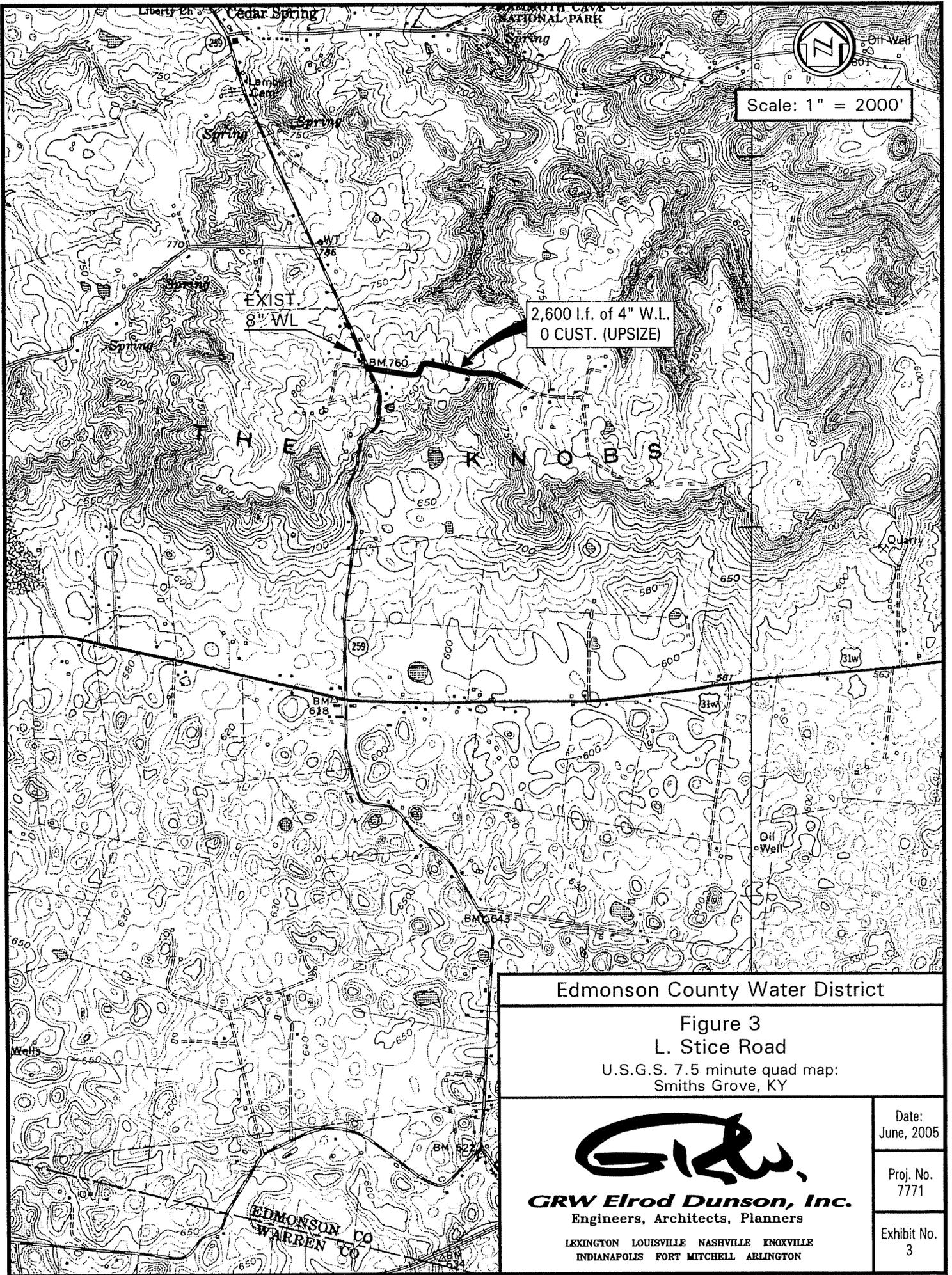
Scale: 1" = 2000'

**NEW BOOSTER  
PUMP STATION**

**38,000 L.F. of 12" WL  
20 CUSTOMERS**

<p><b>Edmonson County Water District</b></p> <p>Figure 1(b)          KY-259 and KY-101          U.S.G.S. 7.5 minute quad maps:          Rhoda and Smiths Grove</p>	
 <p><b>GRW Elrod Dunson, Inc.</b>          Engineers, Architects, Planners          LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE          INDIANAPOLIS FORT MITCHELL ARLINGTON</p>	<p>Date: June, 2005</p> <p>Proj. No. 7771</p> <p>Exhibit No. 1b</p>





Scale: 1" = 2000'

2,600 l.f. of 4" W.L.  
0 CUST. (UPSIZE)

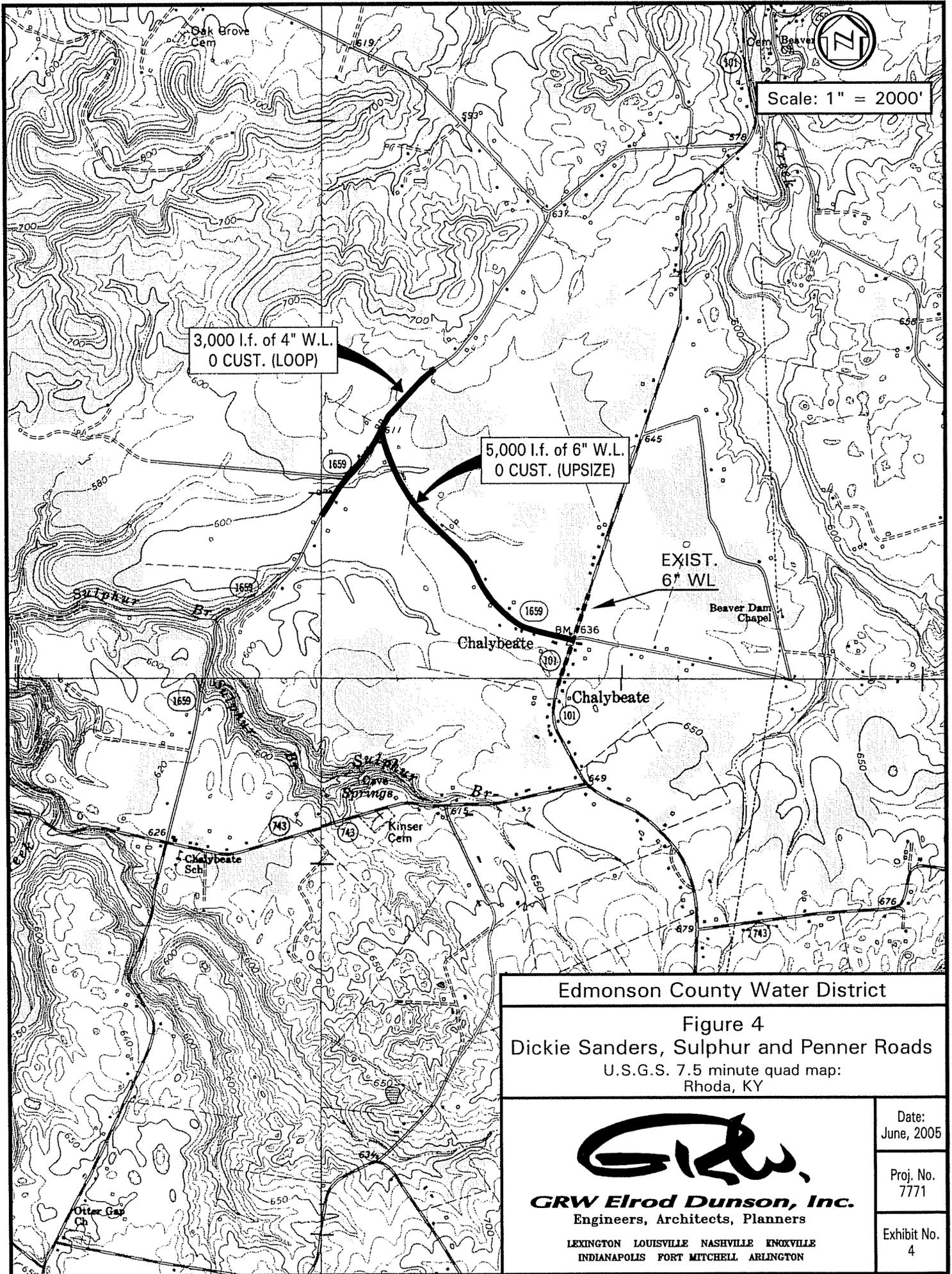
EXIST.  
8" WL

Edmonson County Water District

Figure 3  
L. Stice Road  
U.S.G.S. 7.5 minute quad map:  
Smiths Grove, KY

**GRW**  
**GRW Elrod Dunson, Inc.**  
Engineers, Architects, Planners  
LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE  
INDIANAPOLIS FORT MITCHELL ARLINGTON

Date:  
June, 2005  
Proj. No.  
7771  
Exhibit No.  
3



Edmonson County Water District

Figure 4  
 Dickie Sanders, Sulphur and Penner Roads  
 U.S.G.S. 7.5 minute quad map:  
 Rhoda, KY

**GRW**

**GRW Elrod Dunson, Inc.**  
 Engineers, Architects, Planners

LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE  
 INDIANAPOLIS FORT MITCHELL ARLINGTON

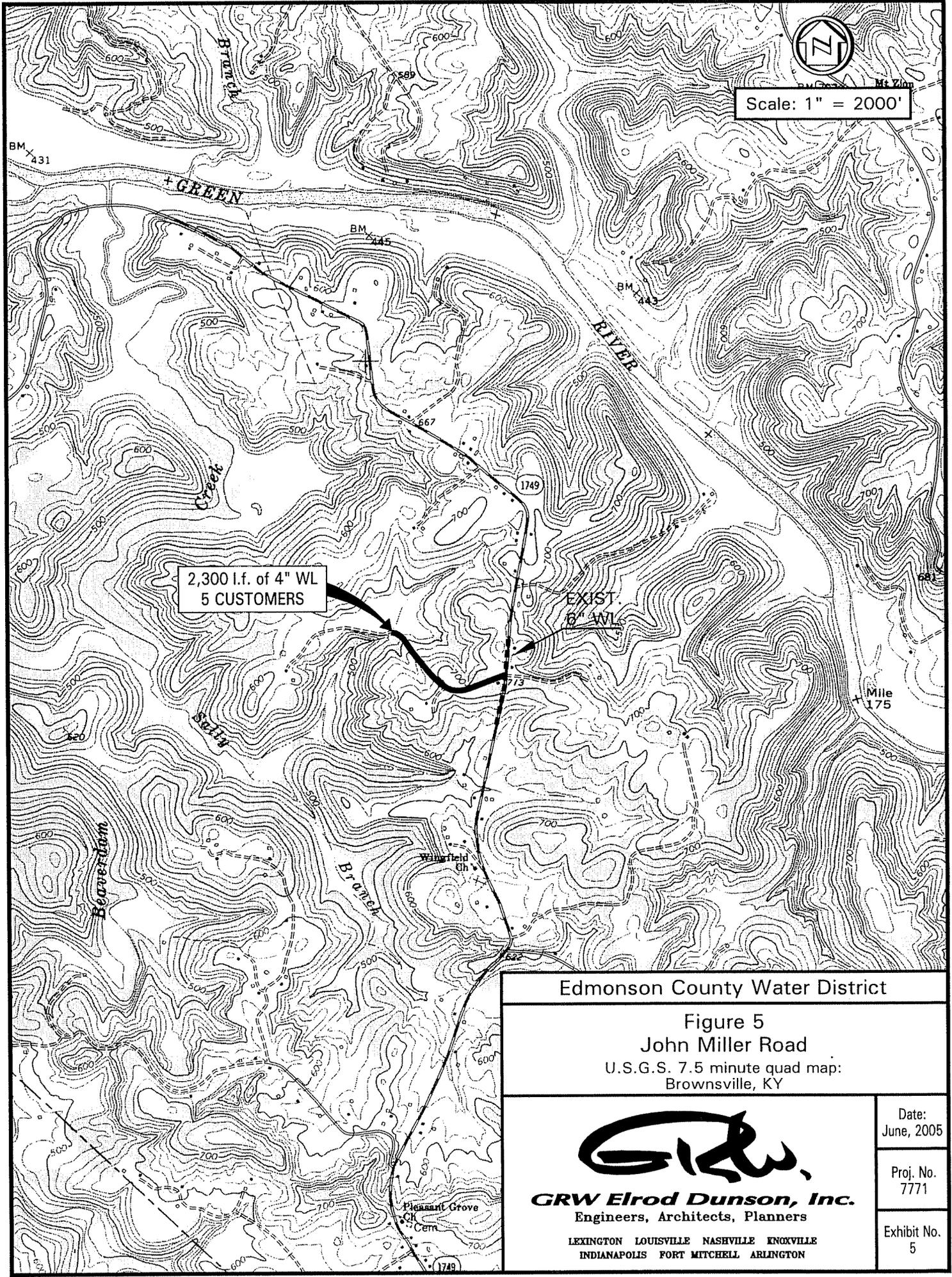
Date:  
 June, 2005

Proj. No.  
 7771

Exhibit No.  
 4



Scale: 1" = 2000'



2,300 l.f. of 4" WL  
5 CUSTOMERS

Edmonson County Water District

Figure 5  
John Miller Road  
U.S.G.S. 7.5 minute quad map:  
Brownsville, KY



**GRW Elrod Dunson, Inc.**  
Engineers, Architects, Planners  
LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE  
INDIANAPOLIS FORT MITCHELL ARLINGTON

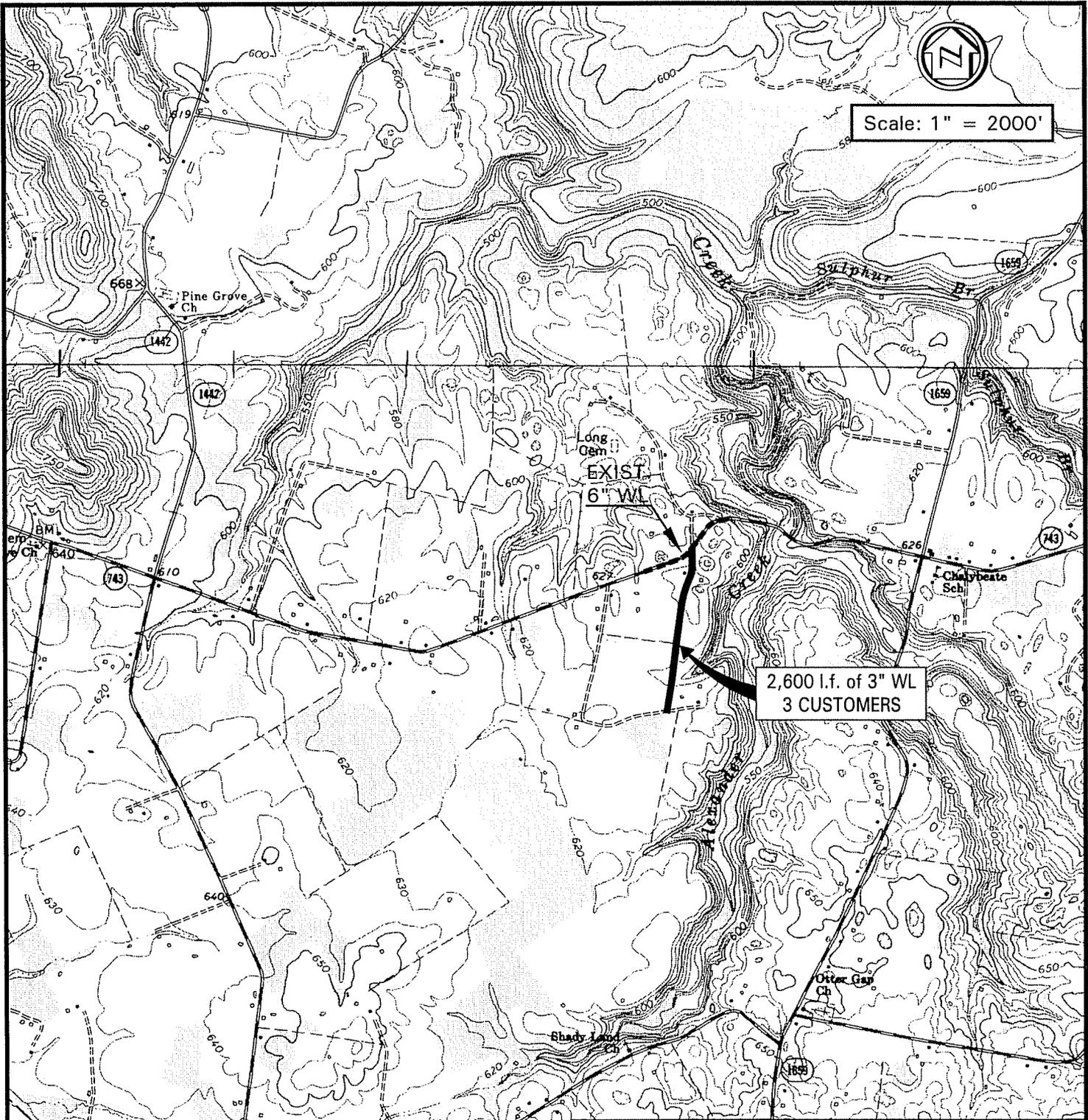
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June, 2005

Proj. No.  
7771

Exhibit No.  
5



Scale: 1" = 2000'



Edmonson County Water District

Figure 6  
Tony Houchins Road  
U.S.G.S. 7.5 minute quad map:  
Bristow, KY

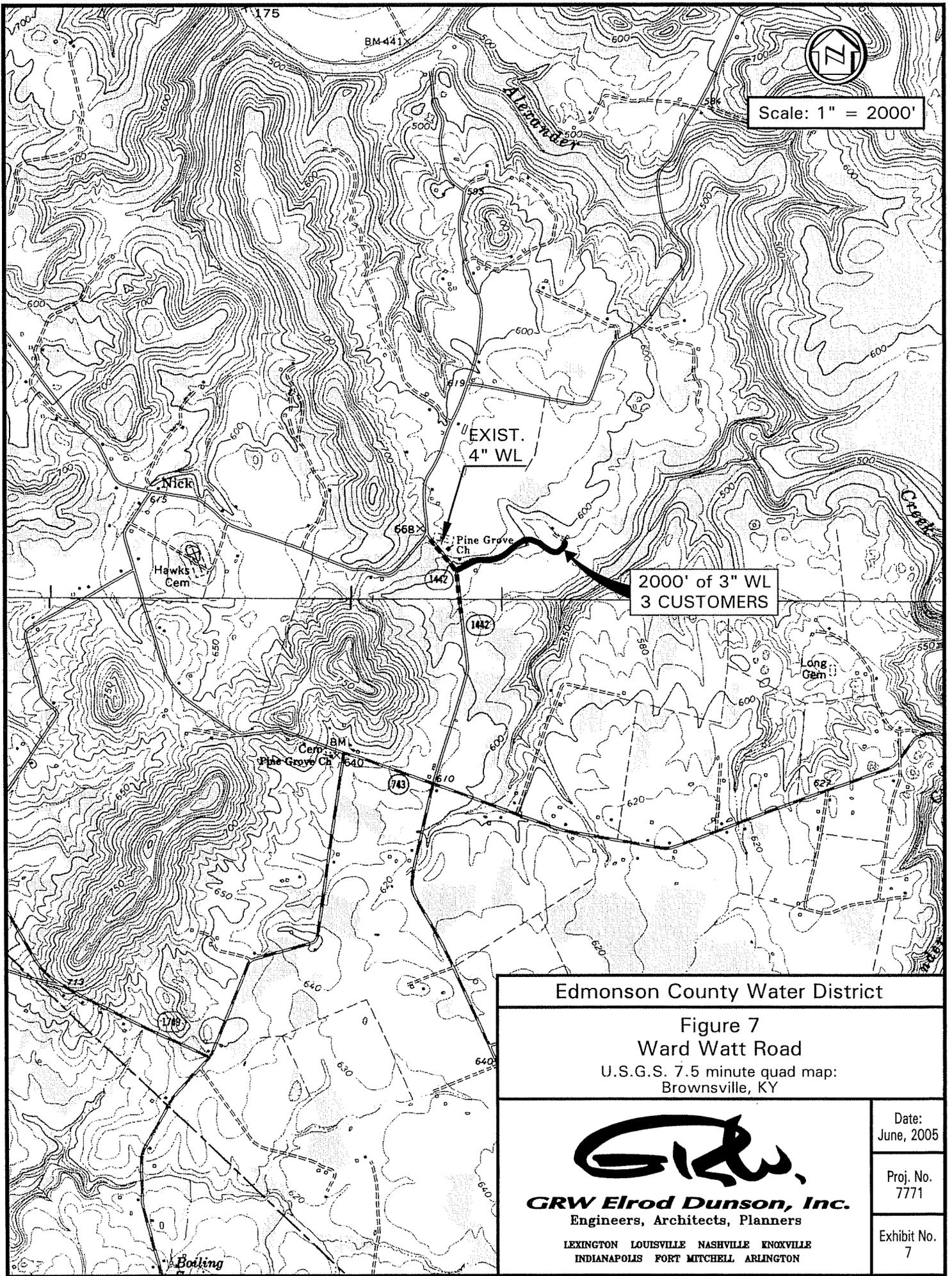


**GRW Elrod Dunson, Inc.**  
Engineers, Architects, Planners  
LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE  
INDIANAPOLIS FORT MITCHELL ARLINGTON

Date:  
June, 2005

Proj. No.  
7771

Exhibit No.  
6

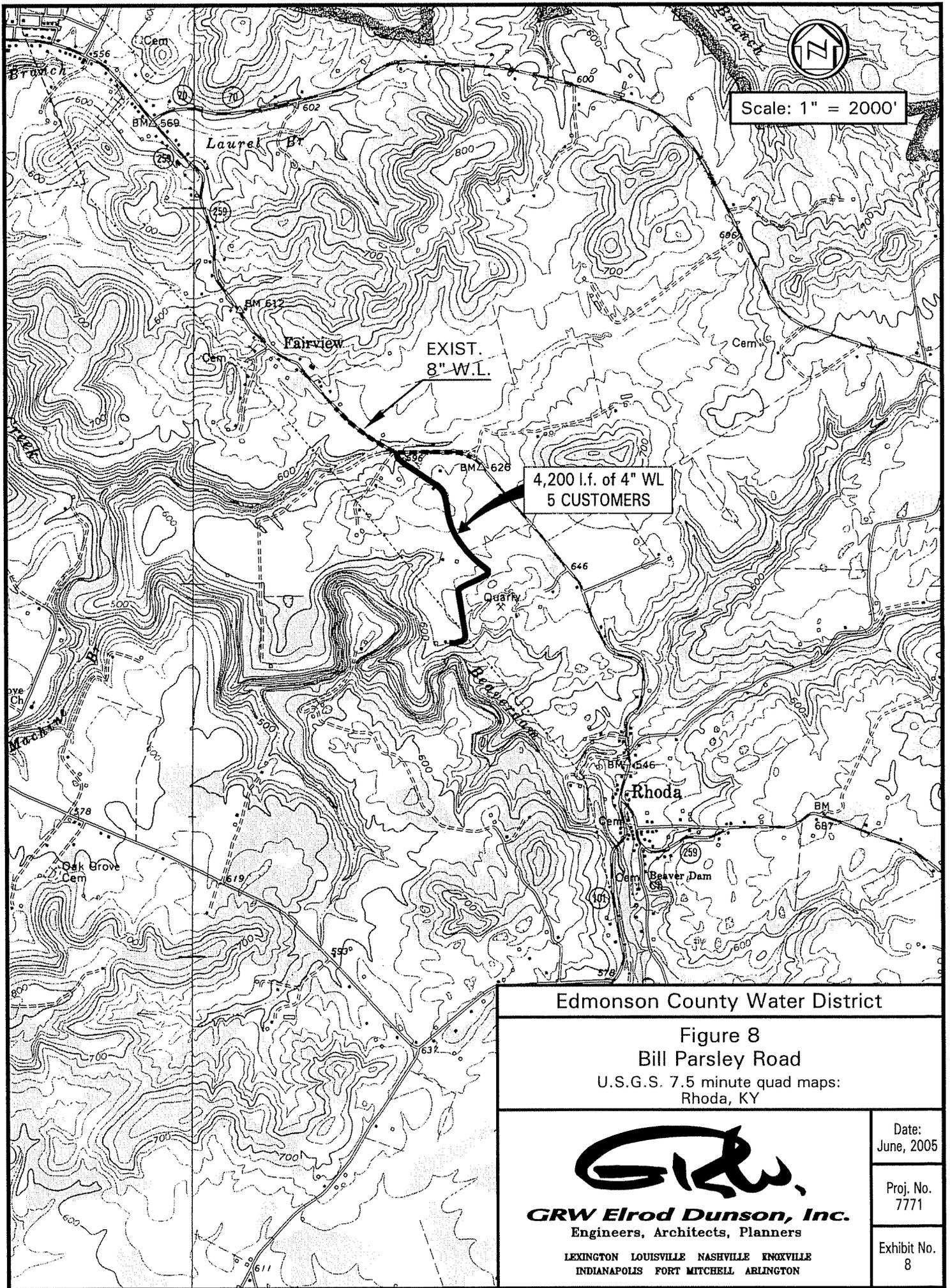


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EXIST.  
4" WL

2000' of 3" WL  
3 CUSTOMERS

Edmonson County Water District	
Figure 7 Ward Watt Road U.S.G.S. 7.5 minute quad map: Brownsville, KY	
 <b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON	Date: June, 2005  Proj. No. 7771  Exhibit No. 7

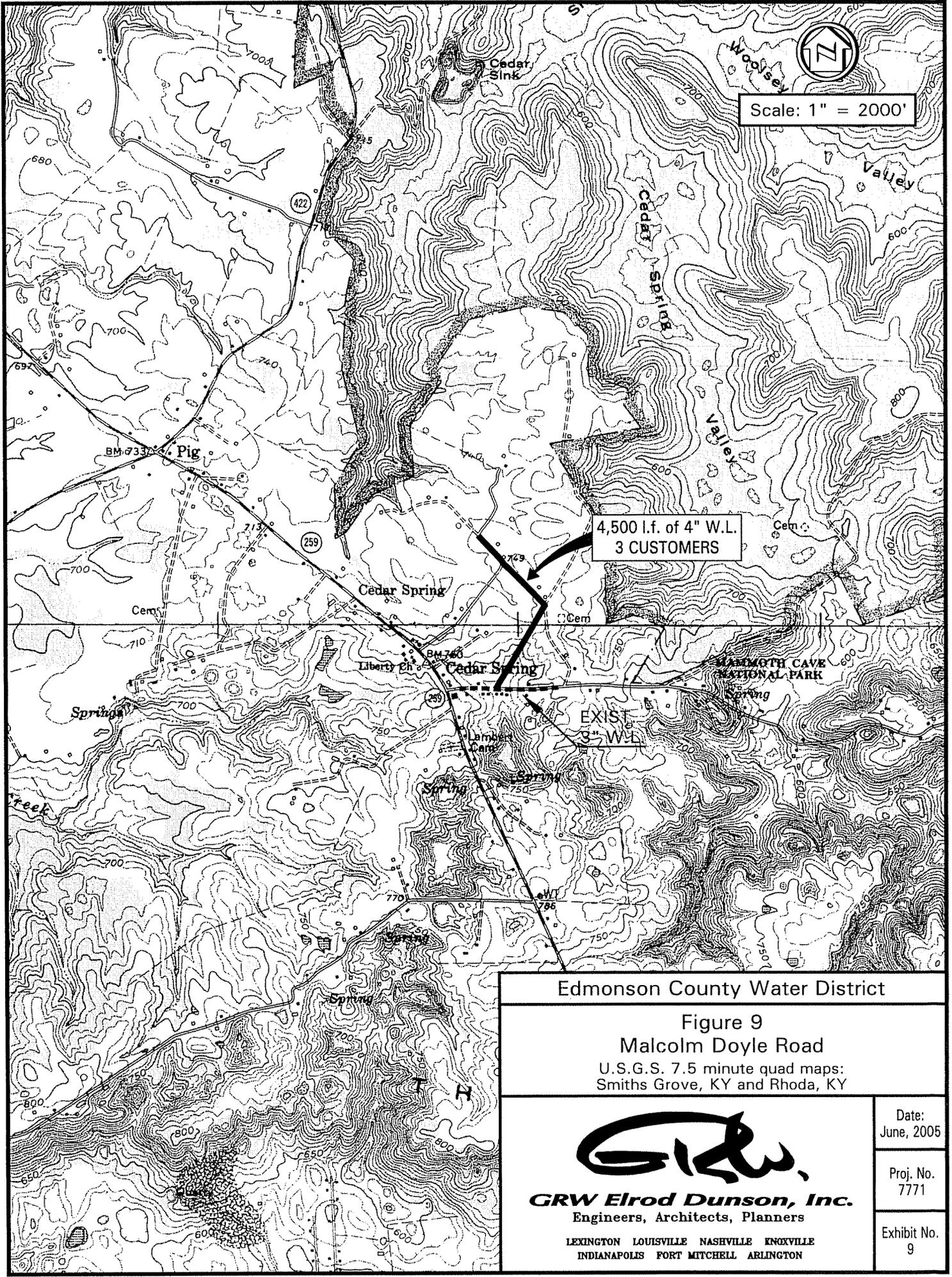


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4,200 l.f. of 4" WL  
5 CUSTOMERS

EXIST.  
8" W.L.

<p>Edmonson County Water District</p> <p><b>Figure 8</b></p> <p>Bill Parsley Road</p> <p>U.S.G.S. 7.5 minute quad maps: Rhoda, KY</p>	
 <p><b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners</p> <p>LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON</p>	<p>Date: June, 2005</p> <p>Proj. No. 7771</p> <p>Exhibit No. 8</p>



Scale: 1" = 2000'

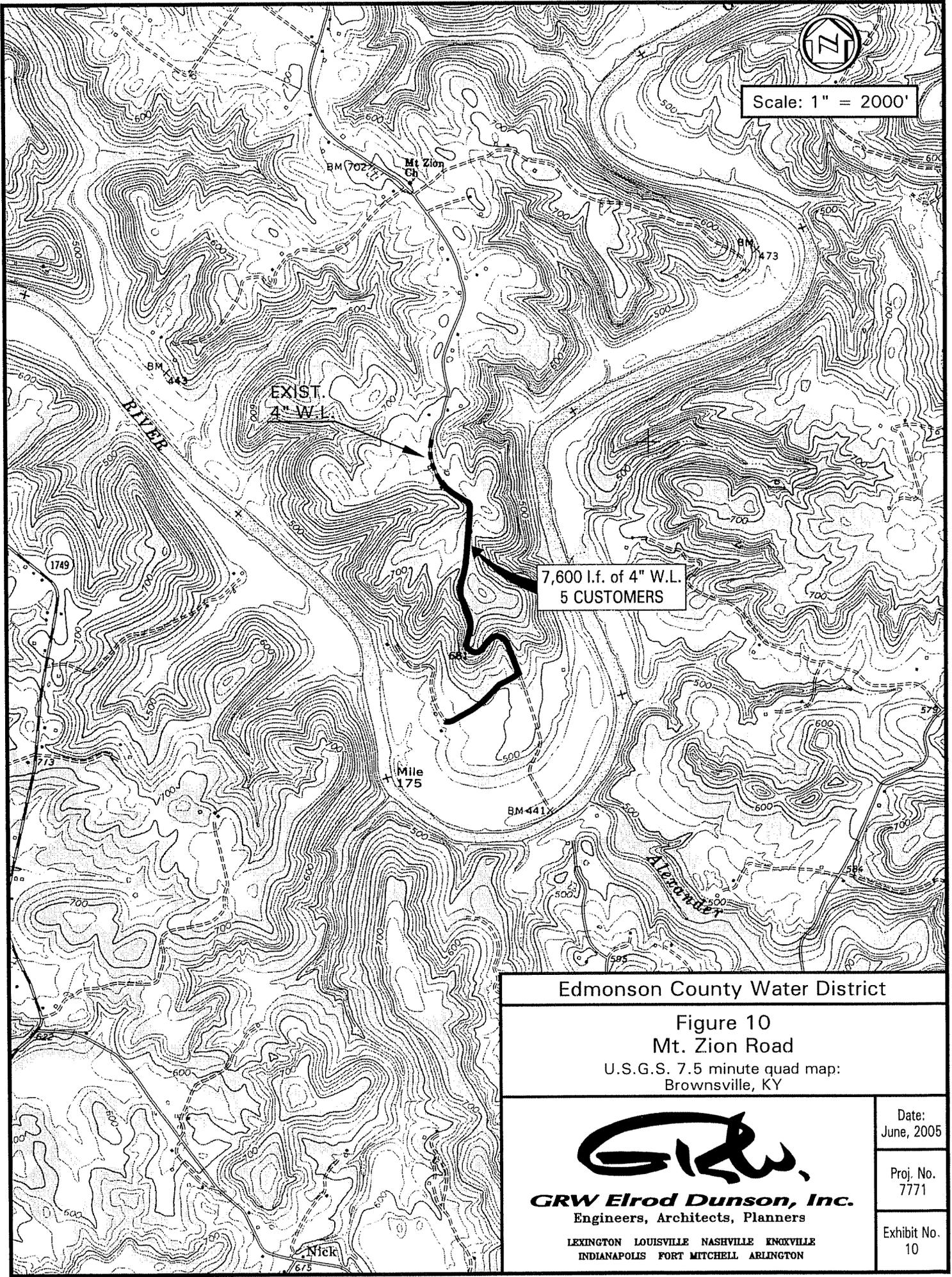
4,500 l.f. of 4" W.L.  
3 CUSTOMERS

EXIST  
8" W.L.

<p><b>Edmonson County Water District</b></p> <p><b>Figure 9</b></p> <p><b>Malcolm Doyle Road</b></p> <p>U.S.G.S. 7.5 minute quad maps: Smiths Grove, KY and Rhoda, KY</p>		<p>Date: June, 2005</p>
 <p><b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners</p> <p>LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON</p>		<p>Proj. No. 7771</p>
		<p>Exhibit No. 9</p>



Scale: 1" = 2000'



Edmonson County Water District

Figure 10  
Mt. Zion Road

U.S.G.S. 7.5 minute quad map:  
Brownsville, KY



**GRW Elrod Dunson, Inc.**  
Engineers, Architects, Planners

LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE  
INDIANAPOLIS FORT MITCHELL ARLINGTON

Date:  
June, 2005

Proj. No.  
7771

Exhibit No.  
10

Scale: 1" = 2000'

7,700 l.f. of 4" W.L.  
5 CUSTOMERS

EXIST  
8" W.L.

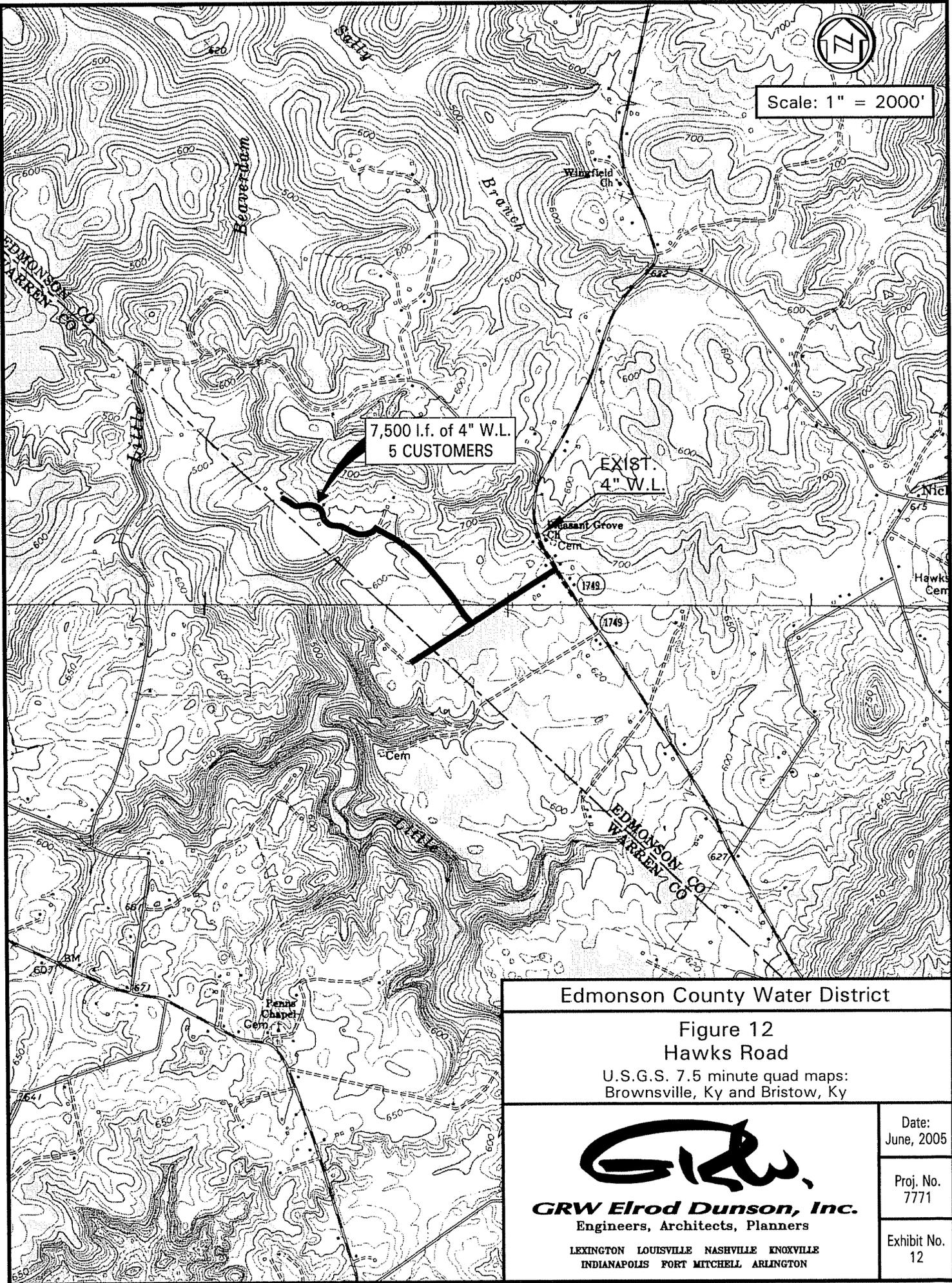
<b>Edmonson County Water District</b>	
<b>Figure 11</b> <b>P. Lindsey Road</b> U.S.G.S. 7.5 minute quad map: Brownsville, KY	
 <b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON	Date: June, 2005
	Proj. No. 7771
	Exhibit No. 11

Scale: 1" = 2000'



7,500 l.f. of 4" W.L.  
5 CUSTOMERS

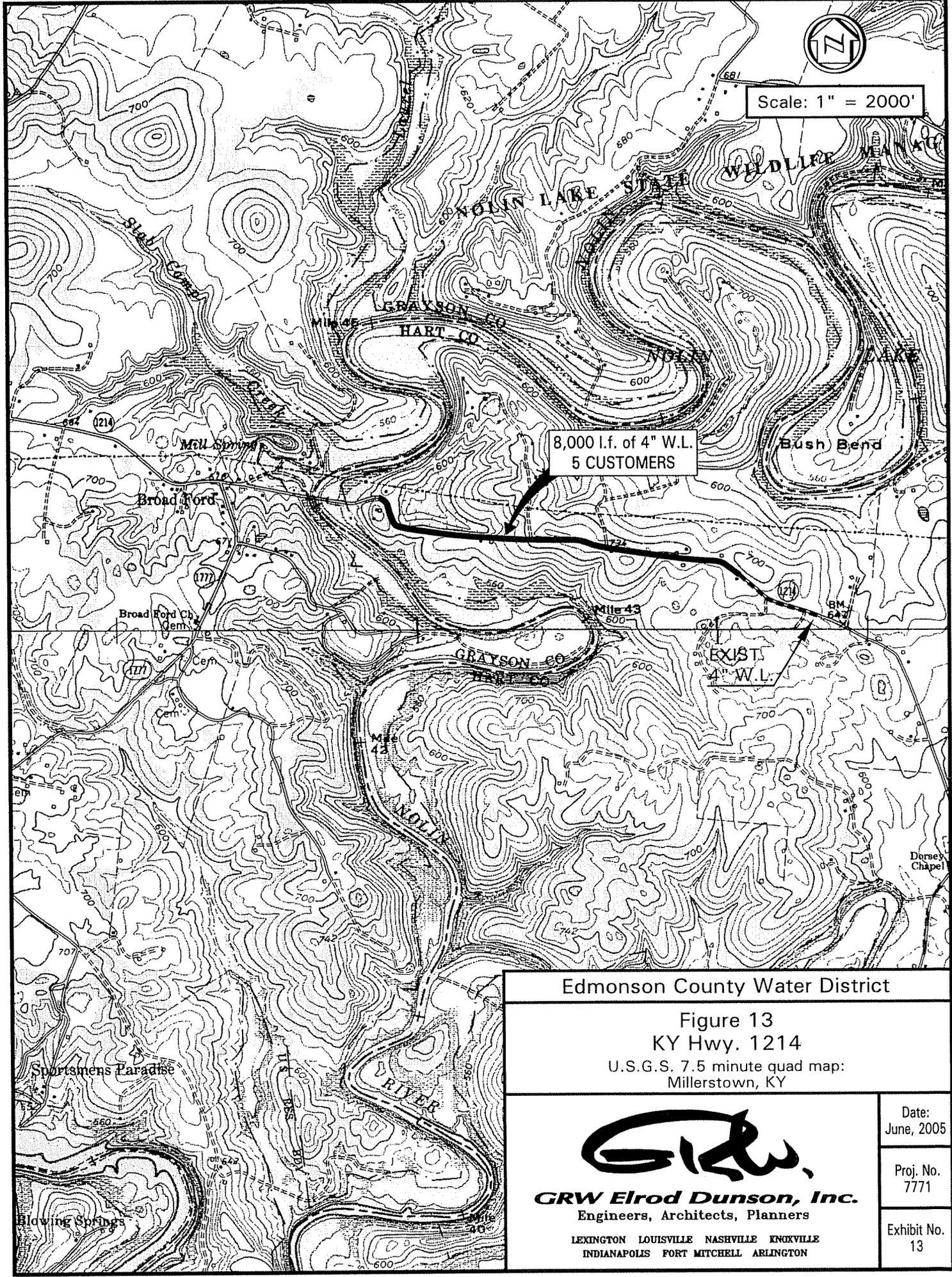
EXIST.  
4" W.L.



Edmonson County Water District	
Figure 12 Hawks Road	
U.S.G.S. 7.5 minute quad maps: Brownsville, Ky and Bristow, Ky	
 <b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON	Date: June, 2005
	Proj. No. 7771
	Exhibit No. 12



Scale: 1" = 2000'



Edmonson County Water District

Figure 13  
KY Hwy. 1214  
U.S.G.S. 7.5 minute quad map:  
Millerstown, KY



**GRW Elrod Dunson, Inc.**  
Engineers, Architects, Planners

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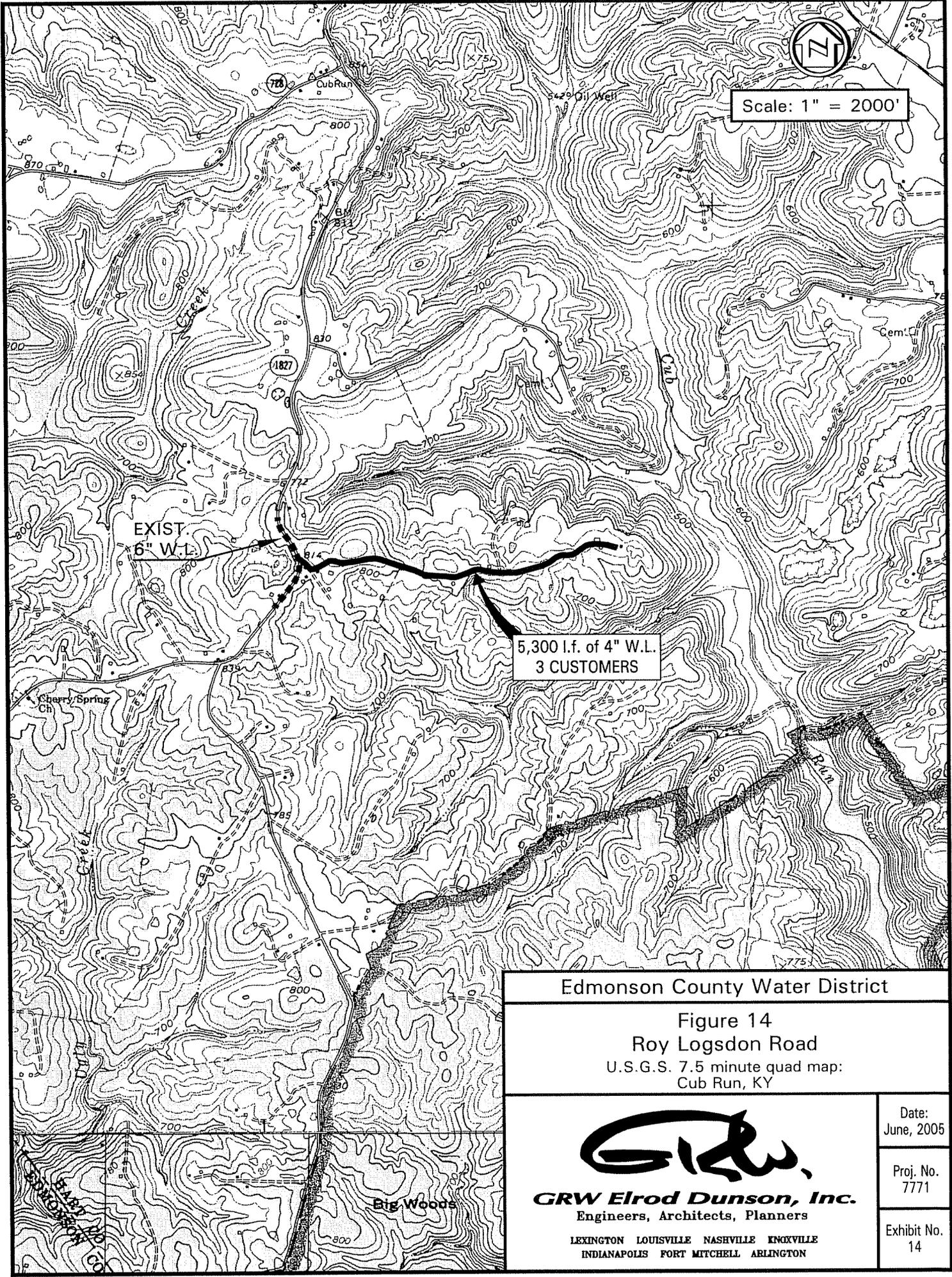
Date:  
June, 2005

Proj. No.  
7771

Exhibit No.  
13



Scale: 1" = 2000'



Edmonson County Water District

Figure 14  
Roy Logsdon Road  
U.S.G.S. 7.5 minute quad map:  
Cub Run, KY

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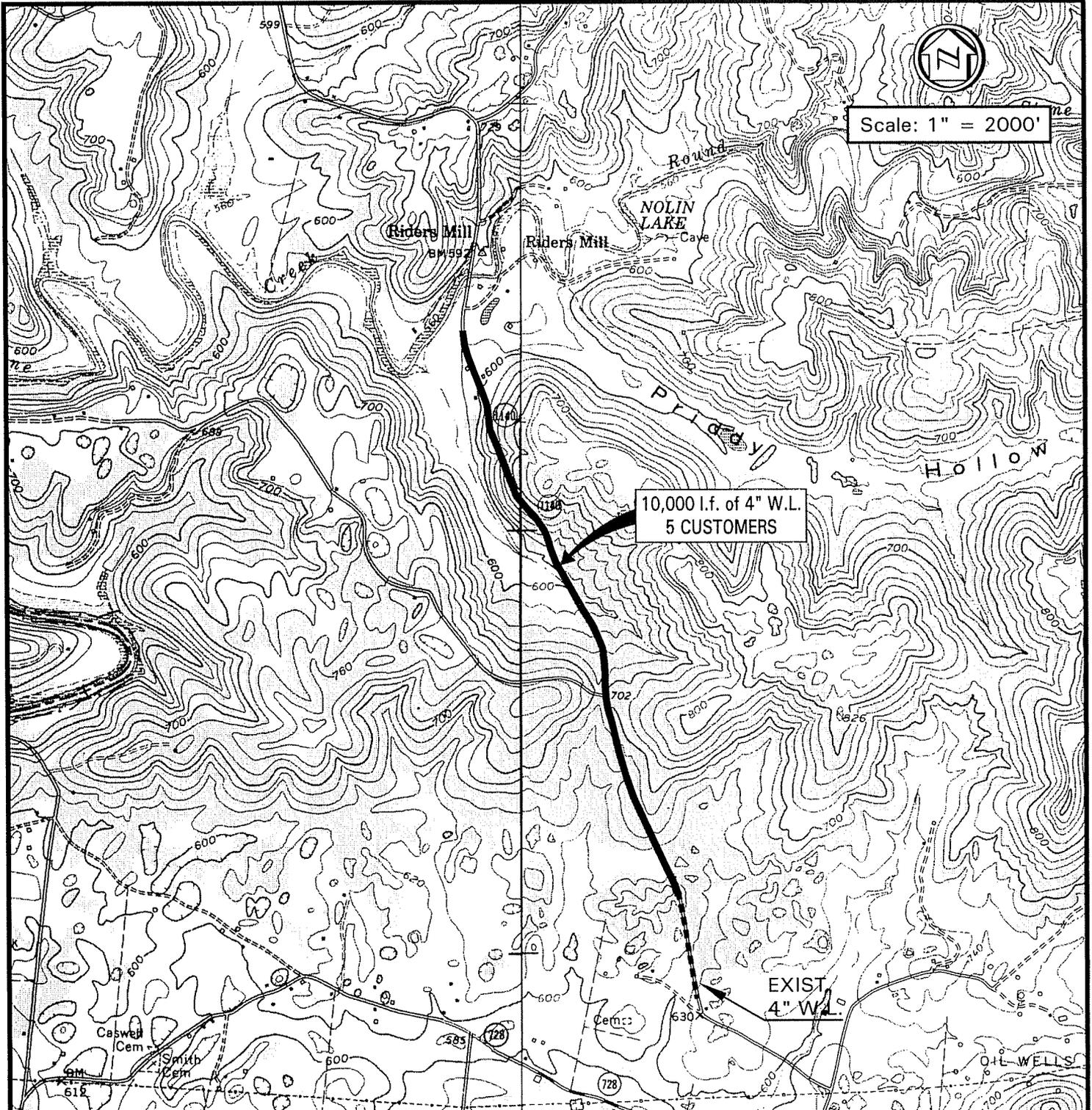
Date:  
June, 2005

Proj. No.  
7771

Exhibit No.  
14



Scale: 1" = 2000'



<b>Edmonson County Water District</b>	
<b>Figure 15</b> <b>KY Hwy. 1140</b> U.S.G.S. 7.5 minute quad maps: Millerstown, KY and Upton, KY	
 <b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON	Date: June, 2005  Proj. No. 7771  Exhibit No. 15

The need for a safe and reliable water supply is commonly recognized as being highly desirable in almost any area. The extension of water lines into these areas is recommended as being beneficial for the residents by removing a potential health hazard which is either known to exist or can become a problem at any time.

## II. EXISTING FACILITIES

### A. General

The Edmonson County Water District began operation of its initial facilities in 1970 and has been constantly expanding since that time. Most of the existing facilities are in relatively good condition and are suitable for continued use. The District has seen constant growth of its customer base and has been managed in a well organized and financially sound manner. Because of this continued growth, some of the facilities are in need of upgrading for increased capacity and efficiency.

### B. Water Supply and Treatment

The Edmonson County Water District has two separate water treatment facilities. The Brownsville Water Treatment Plant (WTP) was constructed as a 0.5 MGD conventional treatment facility and placed into operation in 1970. This plant was expanded to approximately 1.3 MGD in 1980 and expanded to 2.92 MGD in 2002. The water supply is from the Green River which is adequate for the existing and projected demand.

The Wax WTP was constructed and placed into operation in 1990 as a 0.5 MGD facility. The plant was originally sized and designed as a 1 MGD facility, but was downsized due to budget limitations; the Wax plant was expanded to 1.0 MGD in 1994/1995.

The source of supply for the Wax facility is Nolin Lake which at winter pool El.490 has 63,840 acre-feet of storage and at summer pool El.515 has 170,160 acre-feet of storage. The sustained low flow (7Q10) is 40 cfs (or 26 MGD). According to U.S. Corps of Engineers personnel, the withdrawal for this water supply is negligible in comparison to the total available storage.

The Wax WTP is currently in need of improvements to address issues relating to meeting the disinfection by-products regulations currently in effect.

C. Distribution System

The existing distribution system consists of approximately 566 miles of water main ranging in size from 3" to 16". Table 1 shows the approximate mileage of pipe according to size. The system has been placed into operation beginning in 1970 and consists entirely of A.C. and P.V.C. pipe materials. According to system personnel, the original A.C. pipe installed in 1970 appears to be in good condition.

TABLE 1  
DISTRIBUTION SYSTEM

<u>Pipe Size</u>	<u>Installed Quantity</u>
16"	2.3 miles
12"	1.5 miles
10"	1.4 miles
8"	30 miles
6"	169 miles
4"	299 miles
3"and smaller	62 miles

D. Storage Facilities

Existing water storage facilities consist of seventeen storage tanks with a total capacity of 3,310,000 gallons. Storage volume would appear to be adequate at this time. The District will need to continue monitoring tank volume especially as relates to the most efficient operation of existing treatment and pumping facilities and for demands in specific localized areas.

E. Customers

Edmonson County Water District began operation in 1970 with an initial customer base of approximately 450. Since that time, the District has experienced rapid growth with a customer base of approximately 9000 in late 2004. The City of Brownsville is the only wholesale purchaser of water and accounts for about 8% of the total water sold by the District.

A breakdown of user categories, annual operating costs and income, and rate schedule is included in Appendix A – RD Summary Addendum.

### III. PROPOSED FACILITIES

#### A. General

A constant demand exists for extension of water lines into areas previously unserved. Due to this increasing demand for potable water, some of the existing lines need to be upsized. Increasingly stringent regulations have resulted in the need for improvements at the Wax WTP to meet the disinfection by-products limits currently in effect.

#### B. Water Supply and Treatment

In order to meet the existing and increasingly stringent regulations relating to disinfection by-products, improvements need to be made at the Wax WTP. These improvements generally consist of the addition of a contact tank and chemical feed equipment to allow feeding of potassium permanganate to delay the introduction of chlorine further into the treatment process. An extra, dry chemical feeder will also be installed to allow operator flexibility to feed different combinations of chemicals depending on raw water conditions. Figure 16 shows the WTP location.

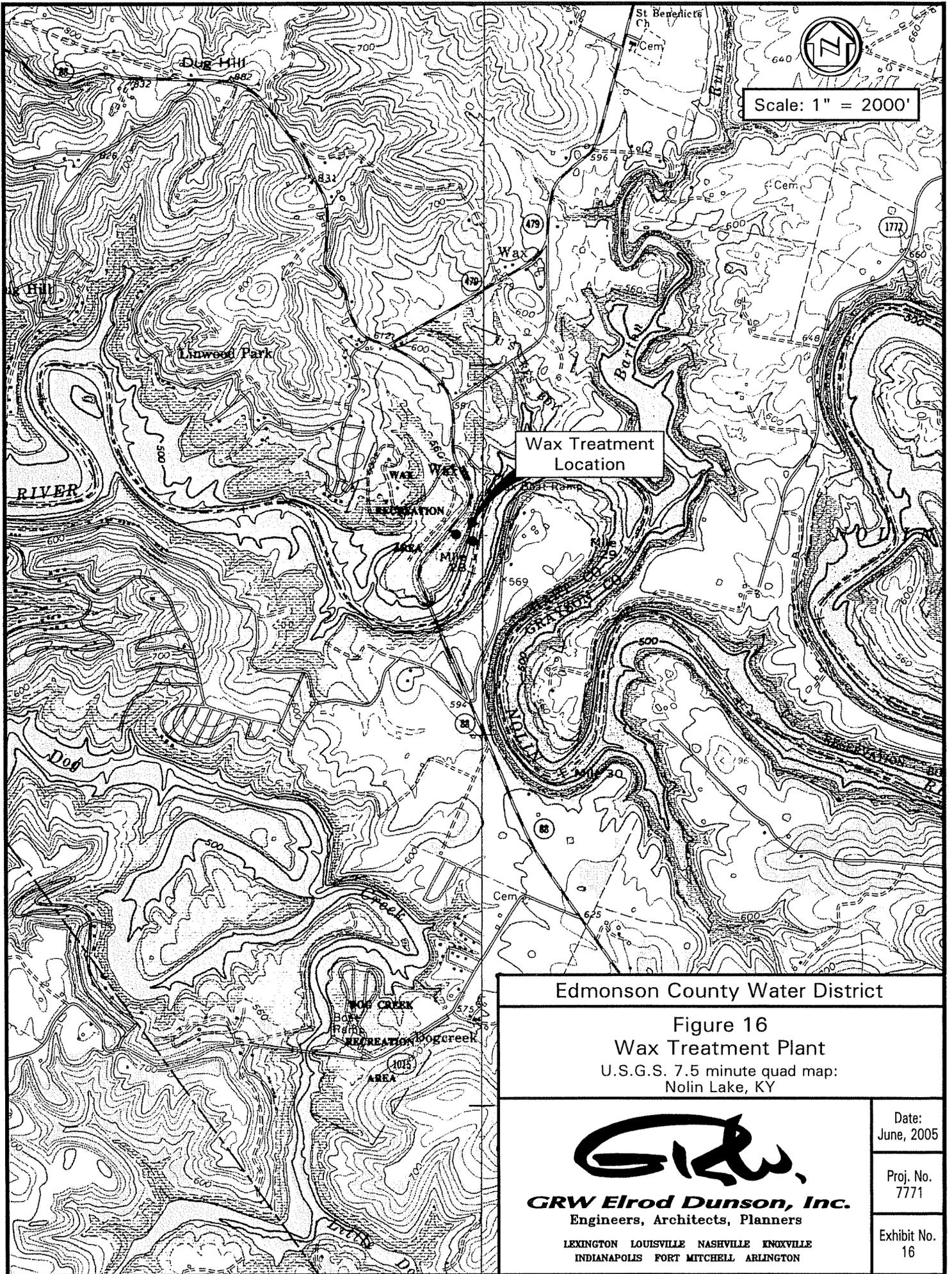
The breakdown of construction and project costs are presented later in this report.

#### C. Distribution System

The Edmonson County Water District proposes to extend and/or parallel approximately 22 miles of water lines to serve 67 new customers in Edmonson and Hart Counties. Several thousand customers will also benefit from the project by having the lines serving their areas upsized to reinforce the hydraulic capabilities of the system. Table 2 shows a breakdown of the line extensions with the number of customers, size and length of line indicated. The line locations have been previously shown in Figures 1 through 15.

One new booster pumping station (BPS) will be constructed and one existing BPS will be upgraded for increased capacity. The Hwy 259/Hwy 101 water main is being proposed to upgrade the water supply to the area served by the Wingfield and Cedar Springs water tanks. A new BPS will be required due to the hydraulic characteristics of this area. In addition, the capacity of the existing Riverhill BPS will be increased to account for the increasing demands in the northwest portion of the system.

The breakdown of construction and project costs are presented later in this report.



Scale: 1" = 2000'

Wax Treatment Location

Edmonson County Water District

Figure 16  
 Wax Treatment Plant  
 U.S.G.S. 7.5 minute quad map:  
 Nolin Lake, KY

 <b>GRW Elrod Dunson, Inc.</b> Engineers, Architects, Planners LEXINGTON LOUISVILLE NASHVILLE KNOXVILLE INDIANAPOLIS FORT MITCHELL ARLINGTON	Date: June, 2005
	Proj. No. 7771
	Exhibit No. 16

TABLE 2  
PROPOSED WATER LINES  
LIST OF ROADS  
EDMONSON COUNTY WATER DISTRICT  
JULY 2005

<u>Road</u>	<u>Approximate Length &amp; Size</u>	<u>No. Customers</u>
1. KY 259 and KY 101 (Fig. 1)	38,000 LF 12"	20(+parallel)
2. Ollie Rd. (Fig. 2)	9,500 LF 6"	upsized
3. L. Stice Rd. (Fig. 3)	2,600 LF 4"	upsized
4. Dickie Sanders, Sulphur, and Penner Rds. (Fig. 4)	5,000 LF 6" 3,000 LF 4"	upsized loop
5. John Miller Rd. (Fig. 5)	2,300 LF 4"	5
6. Tony Houchins Rd. (Fig. 6)	2,600 LF 3"	3
7. Ward Watt Rd. (Fig. 7)	2,000 LF 3"	3
8. Bill Parsley Rd. (Fig. 8)	4,200 LF 4"	5
9. Malcolm Doyle Rd. (Fig. 9)	4,500 LF 4"	3
10. Mt. Zion Rd. (Fig. 10)	7,600 LF 4"	5
11. P. Lindsey Rd. (Fig. 11)	7,700 LF 4"	5
12. Hawks Rd. (Fig. 12)	7,500 LF 4"	5
13. KY 1214 (Fig. 13)	8,000 LF 4"	5
14. Roy Logsdon Rd. (Fig. 14)	5,300 LF 4"	3
15. KY 1140 (Fig. 15)	<u>10,000 LF 4"</u>	<u>5</u>
Totals:	119,800 LF	67

D. Storage Facilities

No additional storage is being proposed at this time.

IV. PROJECT COSTS

Itemized estimates of construction and project costs are presented in Tables 3 and 4 as follows:

TABLE 3  
OPINION OF PROBABLE CONSTRUCTION COSTS  
EDMONSON COUNTY WATER DISTRICT  
2005 RD/KIA WATER SYSTEM IMPROVEMENTS  
JULY 2005

Wax WTP Improvements:	\$ 200,000
38,000 L.F. 12" Water Lines @ \$19.00/L.F.:	\$ 722,000
14,500 L.F. 6" Water Lines @\$7.00/L.F.:	\$ 101,500
62,700 L.F. 4" Water Lines @ \$5.00/L.F.:	\$ 313,500
4,600 L.F. 3" Water Lines @ \$4.50/L.F.:	\$ 20,700
119,800 L.F. Locator Wire @ \$0.10/L.F.:	\$ 11,980
12 – 12" Gate Valves @ \$2000 Each:	\$ 24,000
2 – 6" Gate Valves @ \$750 Each:	\$ 1,500
11 – 4" Gate Valves @ \$550 Each:	\$ 6,050
1 – 3" Gate Valve @ \$400 Each:	\$ 400
18 – Connections to Existing Lines @ \$1,800 Each:	\$ 32,400
6 – Connections to Existing Lines @\$800 Each:	\$ 4,800
19 – Blowoff Assemblies @\$1,000 Each:	\$ 19,000
20 – Air Release Valves @\$650 Each:	\$ 13,000
67 Service Connections @\$500 Each:	\$ 33,500
620 L.F. Uncased Bore @ \$40/L.F.:	\$ 24,800
550 L.F. Bore & Jack @ \$140/L.F.:	\$ 77,000
700 L.F. Bore & Jack @ \$100/L.F.:	\$ 70,000
9 Creek Crossings @ \$3,500 Each:	\$ 31,500
Riverhill Booster Station Upgrade:	\$ 60,000
KY 259/101 Booster Station:	<u>\$ 120,000</u>
TOTAL CONSTRUCTION COSTS:	\$1,887,630

TABLE 4  
OPINION OF PROBABLE PROJECT COSTS  
EDMONSON COUNTY WATER DISTRICT  
2005 RD/KIA WATER SYSTEM IMPROVEMENTS  
JULY 2005

Total Construction:		\$ 1,888,000
Land and Rights:		\$ 5,000
Legal and Administrative:		\$ 25,000
Advertising, etc.:	\$ 3,000	
Bond Counsel:	\$13,000	
Local Counsel:	\$ 9,000	
Engineering:		\$ 255,000
Preliminary:	\$ 5,000	
Easement /Property Owners Identification:	\$ 4,000	
PSC Related:	\$ 4,000	
Hydraulic Analysis Update:	\$ 4,000	
Design:	\$148,000	
Inspection:	\$ 90,000	
Environmental Survey (if required):		\$ 5,000
Interest During Construction:		\$ 60,000
Contingencies:		<u>\$ 182,000</u>
TOTAL PROJECT COSTS:		\$2,420,000

Financing:		
RUS:	\$1,638,000	
KIA:	\$ 770,000	
Applicant Contribution:	<u>\$ 12,000</u>	
	\$2,420,000	

V. FINANCING

Edmonson County Water District has filed application with Rural Development (RD) for financing assistance to match funds already committed by the Kentucky legislature through KIA. The total funding required is \$2,420,000 of which \$1,638,000 is requested as Federal assistance, \$770,000 has been committed from KIA, and \$12,000 will be the local contribution.

The existing water rates went into effect in February 2002, but do not appear to be adequate to operate and maintain the system, retire the debt service and fund the required special accounts for the existing system and proposed project with the anticipated level of grant participation by the funding agencies. Receipt of RD grant funding would allow for reevaluation and possible reduction of the proposed rate increase. The proposed water rates, existing and proposed operating budgets are shown in RD Summary Addendum attached as Appendix A. The proposed water rates represent an approximately 12% average increase to the customers even though some users will experience a larger, or smaller, percentage increase due to the restructuring of the rate schedule.

VI. CONCLUSIONS AND RECOMMENDATIONS

The Edmonson County Water District was formed to serve the residents of several rural counties and to work towards furnishing a safe and reliable water supply to those individuals living within the District boundaries. In order to accomplish this, the District must continually be looking for ways to expand the system while still maintaining a safe, reliable and cost-effective supply of treated water.

The water line extensions, water transmission mains, BPS's and WTP improvements described in this report are feasible and are recommended for construction. The District should proceed to secure matching funds from RD and move toward construction.

5

APPENDIX A

RD Summary Addendum

SUMMARY ADDENDUM

TO

PRELIMINARY ENGINEERING REPORT

DATED July 2005

FOR

Edmonson County Water District  
(Name of Project)

APPLICANT CONTACT PERSON Nelson Sanders

APPLICANT PHONE NUMBER 502-597-2165

APPLICANT TAX IDENTIFICATION NUMBER (TIN) 61-0712517

***ITEMS IN BOLD ITALIC PRINT ARE APPLICABLE TO SEWER SYSTEMS.***

In order to avoid unnecessary delays in application processing, the applicant and its consulting engineer should prepare a summary of the preliminary report in accordance with this Guide.

Please complete the applicable sections of the Summary Addendum. ***Please note, if water and sewer revenue will both be taken as security for the loan, all user information and characteristics of both utility systems will be needed even though the project will benefit only one utility.***

Feasibility reviews and grant determinations may be processed more accurately and more rapidly if the Summary/Addendum is submitted simultaneously with the preliminary engineering report, or as soon thereafter as possible.

I. GENERAL

- A. Proposed Project: Provide a brief description of the proposed project. In addition to this summary, the applicant/engineer should submit a project map of the service area.

The proposed project consists of improvements to the distribution system and water line extensions to serve approximately 67 new customers and improve service to several thousand existing customers. Upgrades will be made to increase the capacity of the Riverhill BPS. A new BPS will be constructed to supply additional water to the Wingfield tank service area.

II. FACILITY CHARACTERISTICS OF EXISTING SEWER SYSTEM N/A

A. Sewage Treatment:

1. Type \_\_\_\_\_

2. Method of Sludge Disposal \_\_\_\_\_

3. Cost per 1,000 gallons if sewage treatment is contracted:

\$ \_\_\_\_\_

4. Date Constructed \_\_\_\_\_

B. Treatment Capacity of Sewage Treatment Plant \_\_\_\_\_

C. Type of Sewage Collector System (Describe) \_\_\_\_\_

D. Number and Capacity of Sewage Lift Stations \_\_\_\_\_

**E. Sewage Collection System:**

*Lineal Feet of Collector Lines, by size* 6" \_\_\_\_\_ 8" \_\_\_\_\_  
10" \_\_\_\_\_ 12" \_\_\_\_\_, *Larger* \_\_\_\_\_  
*Date(s) Constructed* \_\_\_\_\_

**F. Conditions of Existing System: Briefly describe the conditions and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**III. FACILITY CHARACTERISTICS OF EXISTING WATER SYSTEM**

A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

ECWD has 2 WTP's – 2.92 MGD Brownsville WTP which operate 8-12 hrs/day to meet peak demands and the 1 MGD Wax WTP which currently operates 14-23 hrs/day depending on seasonal demands. The sources for both plants (Green River and Nolin Lake) are more than adequate.

If the applicant purchases water:

Seller(s):

1. N/A
2. \_\_\_\_\_
3. \_\_\_\_\_

Price/1,000 gallons:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Present Estimated Market Value of Existing System: \$ 21,000,000

B. Water Storage:

Type: Ground Storage Tank 7 Elevated Tank 8  
Standpipe 2 Other \_\_\_\_\_  
Number of Storage Structures 17  
Total Storage Volume Capacity 3,520,000  
Date Storage Tank(s) Constructed 1970-2002

C. Water Distribution System:

Pipe Material AC, PVC (Approx. 566 mi. total)  
Lineal Feet of Pipe: 3" Diameter 62 mi. 4" 299 mi.  
6" 169 mi. 8" 30 mi.  
10" 1.4 mi. 12" 1.5 mi. 16" 2.3 mi.  
Date(s) Water Lines Constructed 1968 to 2004  
Number and Capacity of Pump Station(s) 12 stations with capacities from 100 gpm to 400 gpm

D. Condition of Existing Water System:

Briefly describe the condition and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.

The existing facilities, with proper maintenance, appear to be in good condition and suitable for continued use

E. Percentage of Water Loss Existing System Approx. 10%

IV. EXISTING LONG-TERM INDEBTEDNESS

A. List of Bonds and Notes:

<u>Date of Issue</u>	<u>Bond/Note Holder</u>	<u>Principal Balance</u>	<u>Payment Date</u>	<u>Bond Type Water/Sewer*</u>	<u>Amount on Deposit in Reserve Account</u>
SEE ATTACHED SHEET					
19__ Issue	_____	\$ _____	_____	% _____%	
19__ Issue	_____	\$ _____	_____	% _____%	
19__ Issue	_____	\$ _____	_____	% _____%	
19__ Issue	_____	\$ _____	_____	% _____%	
19__ Issue	_____	\$ _____	_____	% _____%	

\* If a combined issue, show attributable portion to each system.

B. Principal and Interest Payments: (Begin with Next Fiscal Year Payment)

<u>Date of Issue</u>	<u>Bond/Note Holder</u>	<u>Payment Year 19__</u>		<u>Payment Year 19__</u>		<u>Payment Year 19__</u>	
		<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Interest Payment</u>
SEE ATTACHED SHEET							
19__ Issue	_____	_____	_____	_____	_____	_____	_____
19__ Issue	_____	_____	_____	_____	_____	_____	_____
19__ Issue	_____	_____	_____	_____	_____	_____	_____
19__ Issue	_____	_____	_____	_____	_____	_____	_____
19__ Issue	_____	_____	_____	_____	_____	_____	_____
19__ Issue	_____	_____	_____	_____	_____	_____	_____

IV. EXISTING LONG - TERM INDEBTEDNESS

Date of Issue	2004 Principal Balance	2005 Principal Payment	Payment Date	Bond/Note Holder	Interest Rate	2005 Interest Payment
1994 (A & B)	\$1,942,000.00	\$31,500.00		RD	4.50%	87,400.00
1994 (C)	\$772,000.00	\$12,000.00	Jan-05	RD	4.50%	34,740.00
1996 (A)	\$1,080,000.00	\$40,000.00	Jan-05	Private	4.65%	50,220.00
1997	\$550,500.00	\$8,000.00	Jan-05	RD	4.50%	24,800.00
2001 (A)	\$3,730,000.00	\$54,500.00	Jan-05	RD	3.25%	121,225.00
2001 (B)	\$270,100.00	\$3,000.00	Jan-05	RD	4.50%	12,150.00
2003	\$437,500.00	\$4,500.00	Jan-05	RD	4.38%	19,140.00
Mar-04	\$2,578,000.00	\$77,500.00	Jan-05	KIA	2.25%	58,000.00
Jul-04	\$1,112,500.00	\$27,500.00	Jan-05	KIA	2.50%	27,800.00
	\$12,472,600.00	\$258,500.00				435,475.00

5.1

V. EXISTING SHORT-TERM INDEBTEDNESS

A. List of All Short Term Debts: (Do Not Show Any Debt Listed in Paragraph IV Above)

<u>Lender or Lessor</u>	<u>Date of Issue (Month &amp; Year)</u>	<u>Principal Balance</u>	<u>Purpose (Water and/or Sewer)</u>	<u>Payment Date</u>	<u>Principal &amp; Interest Payment (P&amp;I)</u>	<u>Date to Be Paid In Full</u>
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

VI. LAND AND RIGHTS - EXISTING SYSTEM(S)

Number of Treatment Plant Sites: Water 2 Sewer \_\_\_\_\_

Number of Storage Tank Sites Water 17 Sewer \_\_\_\_\_

Number of Pump Stations: Water 12 Sewer \_\_\_\_\_

Total Acreage: Water \_\_\_\_\_ Acres Sewer \_\_\_\_\_ Acres

Purchase Price: Water \$ 184,000 Sewer \$ \_\_\_\_\_

VII. NUMBER OF EXISTING USERS

	<u>Water</u>	<u>Sewer</u>
Residential (In Town) *	_____	_____
Residential (Out of Town) *	<u>8976</u>	_____
Non-Residential (In Town)	<u>1</u>	_____
Non-Residential (Out of Town)	<u>55</u>	_____
Total	<u>9032</u>	_____
Number to Total Potential Users Living in the Service Area	_____	_____

\*Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residence.

VIII. CURRENT WATER AND SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION

<u>Meter Size</u>	<u>Water Connection Fee</u>	<u>Sewer Connection Fee</u>
<u>5/8" x 3/4"</u>	\$ <u>375</u>	\$
<u>1 - Inch</u>	\$ <u>400</u>	\$

IX. SEWER RATES - EXISTING SYSTEM N/A

Percentage of Water Bill \_\_\_\_\_ % Minimum Charge \$ \_\_\_\_\_

Other: (If Charge Not Based on Water Bill) \_\_\_\_\_

Date This Rate Went Into Effect \_\_\_\_\_

X. WATER RATES - EXISTING SYSTEM

Existing Rate Schedule:

First	<u>1,500</u>	Gallons @ \$ <u>9.85</u>	Minimum.
Next	<u>6,500</u>	Gallons @ \$ <u>4.25</u>	per 1,000 Gallons.
Next	<u>12,000</u>	Gallons @ \$ <u>3.90</u>	per 1,000 Gallons.
Next	_____	Gallons @ \$ _____	per 1,000 Gallons.
Next	_____	Gallons @ \$ _____	per 1,000 Gallons.
Next	_____	Gallons @ \$ _____	per 1,000 Gallons.
All Over	<u>20,000</u>	Gallons @ \$ <u>2.90</u>	per 1,000 Gallons.
<u>Wholesale to City of Brownsville:</u>		<u>\$2.00</u>	per 1000 gallons.

Date This Rate Went Into Effect Feb. 2002

If More Than One Rate Schedule, Please Include All Schedules.

**XI. ANALYSIS OF ACTUAL SEWER USAGE - EXISTING SYSTEM - 12 MONTH PERIOD**

N/A

For Period \_\_\_\_\_ to \_\_\_\_\_ .

**All Meter**

<u>Sizes</u>	<u>Monthly Sewer Usage</u>	<u>Average</u>	<u>Residential</u>		<u>Non-Residential</u>	
			<u>No. of Users</u>	<u>Usage (1000)</u>	<u>No. of Users</u>	<u>Usage (1000)</u>
0 - 2,000	Gallons	1,000	_____	_____	_____	_____
2,000 - 3,000	Gallons	2,500	_____	_____	_____	_____
3,000 - 4,000	Gallons	3,500	_____	_____	_____	_____
4,000 - 5,000	Gallons	4,500	_____	_____	_____	_____
5,000 - 6,000	Gallons	5,500	_____	_____	_____	_____
6,000 - 7,000	Gallons	6,500	_____	_____	_____	_____
7,000 - 8,000	Gallons	7,500	_____	_____	_____	_____
8,000 - 9,000	Gallons	8,500	_____	_____	_____	_____
9,000 - 10,000	Gallons	9,500	_____	_____	_____	_____
10,000 - 11,000	Gallons	10,500	_____	_____	_____	_____
11,000 - 12,000	Gallons	11,500	_____	_____	_____	_____
12,000 - 13,000	Gallons	12,500	_____	_____	_____	_____
13,000 - 14,000	Gallons	13,500	_____	_____	_____	_____
14,000 - 15,000	Gallons	14,500	_____	_____	_____	_____
15,000 - 16,000	Gallons	15,500	_____	_____	_____	_____
16,000 - 17,000	Gallons	16,500	_____	_____	_____	_____
17,000 - 18,000	Gallons	17,500	_____	_____	_____	_____
18,000 - 19,000	Gallons	18,500	_____	_____	_____	_____
19,000 - 20,000	Gallons	19,500	_____	_____	_____	_____
_____ - _____	Gallons	_____	_____	_____	_____	_____
_____ - _____	Gallons	_____	_____	_____	_____	_____
_____ - _____	Gallons	_____	_____	_____	_____	_____
		<b>Total</b>	(_____)	(_____)	(_____)	(_____)
		<b>Average Usage</b>		(_____)		(_____)

XII. ANALYSIS OF ACTUAL WATER USAGE - EXISTING SYSTEM - 12 MONTH PERIOD

**SEE ATTACHED SPREADSHEET FOR INFORMATION**

For Period Jan. 2004 to Dec. 2004 .

All Meter

<u>Sizes</u>	<u>Monthly Water Usage</u>	<u>Average</u>	<u>Residential</u>		<u>Non-Residential</u>	
			<u>No. of Users</u>	<u>Usage (1000)</u>	<u>No. of Users</u>	<u>Usage (1000)</u>
0 - 2,000	Gallons	1,000	_____	_____	_____	_____
2,000 - 3,000	Gallons	2,500	_____	_____	_____	_____
3,000 - 4,000	Gallons	3,500	_____	_____	_____	_____
4,000 - 5,000	Gallons	4,500	_____	_____	_____	_____
5,000 - 6,000	Gallons	5,500	_____	_____	_____	_____
6,000 - 7,000	Gallons	6,500	_____	_____	_____	_____
7,000 - 8,000	Gallons	7,500	_____	_____	_____	_____
8,000 - 9,000	Gallons	8,500	_____	_____	_____	_____
9,000 - 10,000	Gallons	9,500	_____	_____	_____	_____
10,000 - 11,000	Gallons	10,500	_____	_____	_____	_____
11,000 - 12,000	Gallons	11,500	_____	_____	_____	_____
12,000 - 13,000	Gallons	12,500	_____	_____	_____	_____
13,000 - 14,000	Gallons	13,500	_____	_____	_____	_____
14,000 - 15,000	Gallons	14,500	_____	_____	_____	_____
15,000 - 16,000	Gallons	15,500	_____	_____	_____	_____
16,000 - 17,000	Gallons	16,500	_____	_____	_____	_____
17,000 - 18,000	Gallons	17,500	_____	_____	_____	_____
18,000 - 19,000	Gallons	18,500	_____	_____	_____	_____
19,000 - 20,000	Gallons	19,500	_____	_____	_____	_____
_____ - _____	Gallons	_____	_____	_____	_____	_____
_____ - _____	Gallons	_____	_____	_____	_____	_____
_____ - _____	Gallons	_____	_____	_____	_____	_____
			<b>Total</b>	(____)(____)	(____)(____)	(____)(____)
			<b>Average Usage</b>	(____)	(____)	(____)

Total Water Purchased and/or Produced \_\_\_\_\_  
 Total Water Sold \_\_\_\_\_

Existing Rate Schedule

Water Rate	Min. (1500 gal.)@	\$9.85
	Next 6500 gals.@	\$4.25 per 1000
	Next 12000 gals.@	\$3.90 per 1000
	Next 5,000 gals @	\$2.90 per 1000
	All Over 25,000 gals.@	\$2.90 per 1000
	Wholesale to Brownsville@	\$2.00 per 1000

**XII. ANALYSIS**

**XXV. FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS**

Jan, 2004 to Dec. 2004

Meter Size	Monthly Water Usage	Average	Average Rate	No. of Users	Residential		Non-Residential		
					Usage (1000)	Income	No. of Users	Usage (1000)	Income
	0 - 1,500 Gallons	750	\$9.85	3550	2662.5	\$34,967.50	0	0	\$0.00
	1,500 - 2,000 Gallons	1,750	\$10.91	592	1036	\$6,460.20	0	0	\$0.00
	2,000 - 3,000 Gallons	2,500	\$14.10	1144	2860	\$16,130.40	0	0	\$0.00
	3,000 - 4,000 Gallons	3,500	\$18.35	1061	3713.5	\$19,469.35	1	3.5	\$18.35
	4,000 - 5,000 Gallons	4,500	\$22.60	800	3600	\$18,080.00	15	67.5	\$339.00
	5,000 - 6,000 Gallons	5,500	\$26.85	582	3201	\$15,626.70	1	5.5	\$26.85
	6,000 - 7,000 Gallons	6,500	\$31.10	383	2489.5	\$11,911.30	0	0	\$0.00
	7,000 - 8,000 Gallons	7,500	\$35.35	245	1837.5	\$8,660.75	0	0	\$0.00
	8,000 - 9,000 Gallons	8,500	\$39.43	162	1377	\$6,386.85	0	0	\$0.00
	9,000 - 10,000 Gallons	9,500	\$43.33	114	1083	\$4,939.05	0	0	\$0.00
5/8	10,000 - 11,000 Gallons	10,500	\$47.23	76	798	\$3,589.10	0	0	\$0.00
x	11,000 - 12,000 Gallons	11,500	\$51.13	50	575	\$2,556.25	4	46	\$204.50
3/4	12,000 - 13,000 Gallons	12,500	\$55.03	39	487.5	\$2,145.98	1	12.5	\$55.03
Inch	13,000 - 14,000 Gallons	13,500	\$58.93	30	405	\$1,767.75	1	13.5	\$58.93
	14,000 - 15,000 Gallons	14,500	\$62.83	18	261	\$1,130.85	5	72.5	\$314.13
	15,000 - 16,000 Gallons	15,500	\$66.73	17	263.5	\$1,134.33	1	15.5	\$66.73
	16,000 - 17,000 Gallons	16,500	\$70.63	15	247.5	\$1,059.38	0	0	\$0.00
	17,000 - 18,000 Gallons	17,500	\$74.53	16	280	\$1,192.40	0	0	\$0.00
	18,000 - 19,000 Gallons	18,500	\$78.43	10	185	\$784.25	0	0	\$0.00
	19,000 - 20,000 Gallons	19,500	\$82.33	18	351	\$1,481.85	0	0	\$0.00
	20,000 - 25,000 Gallons	22,500	\$91.53	15	337.5	\$1,372.88	0	0	\$0.00
	25,000 - 30,000 Gallons	27,500	\$106.03	12	330	\$1,272.30	3	82.5	\$318.08
	30,000 - 40,000 Gallons	35,000	\$127.78	12	420	\$1,533.30	3	105	\$383.33
	40,000 - 50,000 Gallons	44,000	\$153.88	9	396	\$1,384.88	0	0	\$0.00
	50,000 - 75,000 Gallons	60,000	\$200.28	7	420	\$1,401.93	5	300	\$1,001.38
	75,000 - 1,000,000 Gallons	275,000	\$823.78	0	0	\$0.00	14	3850	\$11,532.85
	Sub-Total			8977	29,617	\$166,439.50	54	4574	\$14,319.13
	Average Monthly Rate		\$20.02						
	Average Monthly Usage				3.30			84.70	
4-inch	City of Brownsville	Gallons	3,000,000	\$6,000.00			1	3000	\$6,000.00
	Sub-Total			8977	29,617	\$166,439.50	55	7574	\$20,319.13
	Total monthly Income					\$186,758.63			
	Total yearly Income					\$2,241,103.50			
	Total customers			9032					

~~22~~ (9)

**XIII. FACILITY CHARACTERISTICS OF PROPOSED SEWER SYSTEM N/A**

**A. Sewage Treatment:**

1. Type \_\_\_\_\_

2. Method of Sludge Disposal \_\_\_\_\_  
\_\_\_\_\_

3. Cost per 1,000 gallons if sewage treatment is contracted:  
\$ \_\_\_\_\_

**B. Treatment Capacity of Sewage Treatment Plant** \_\_\_\_\_

**C. Type of Sewage Collector System (Describe)** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**D. Number and Capacity of Sewage Lift Stations** \_\_\_\_\_  
\_\_\_\_\_

**E. Sewage Collection System:**

Lineal Feet of Collector Lines, by size 6" \_\_\_\_\_ 8" \_\_\_\_\_

10" \_\_\_\_\_ 12" \_\_\_\_\_, Larger \_\_\_\_\_

**XIV. LAND AND RIGHTS - PROPOSED SEWER SYSTEM N/A**

Number of Treatment Plant Sites \_\_\_\_\_

Number of Pump Sites \_\_\_\_\_

Number of Other Sites \_\_\_\_\_

Total Acreage \_\_\_\_\_ *Acres*

Purchase Price \$ \_\_\_\_\_

XV. FACILITY CHARACTERISTICS OF PROPOSED WATER SYSTEM

A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

The water sources will remain the same; the Brownsville WTP has a capacity of 2.92 MGD; the Wax WTP has a capacity of 1.0 MGD. Capacity is adequate to meet seasonal demands.

B. Water Storage:

Type: Ground Storage Tank \_\_\_\_\_ Elevated Tank \_\_\_\_\_  
Standpipe \_\_\_\_\_ Other \_\_\_\_\_

Number of Storage Structures \_\_\_\_\_

Total Storage Volume Capacity \_\_\_\_\_

C. Water Distribution System:

Pipe Material PVC

Lineal Feet of Pipe: 3" Diameter 4,600 4" 62,700

6" 14,500 8" \_\_\_\_\_

10" \_\_\_\_\_ 12" 38,000

Number and Capacity of Pump Station(s) 1 upgrade and 1 new (capacity to be determined during detailed design)

XVI. LAND AND RIGHTS - PROPOSED WATER SYSTEM

Number of Treatment Plant Sites \_\_\_\_\_

Number of Pump Sites to be constructed on existing sites

Number of Other Sites \_\_\_\_\_

Total Acreage \_\_\_\_\_ Acres

Purchase Price \$ \_\_\_\_\_

**XVII. NUMBER OF NEW SEWER USERS    N/A**

<i>Residential (In Town) *</i>	_____
<i>Residential (Out of Town) *</i>	_____
<i>Non-Residential (In Town)</i>	_____
<i>Non-Residential (Out of Town)</i>	_____
<i>Total</i>	_____
<i>Number to Total Potential Users Living in the Service Area</i>	_____

*\*Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences.*

**XVIII. PROPOSED SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION**

<u>Meter Size</u>	<u>Connection Fee</u>
<u>5/8" x 3/4"</u>	\$
<u>1 - Inch</u>	\$
<u>1-1/2 Inch</u>	\$
<u>2 - Inch</u>	\$
<u>3 - Inch</u>	\$
<u>4 - Inch</u>	\$
<u>5 - Inch</u>	\$
<u>6 - Inch</u>	\$

XIX. NUMBER OF NEW WATER USERS

Residential (In Town) *	_____
Residential (Out of Town) *	<u>67</u>
Non-Residential (In Town)	_____
Non-Residential (Out of Town)	_____
Total	<u>67</u>
Number to Total Potential Users Living in the Service Area	_____

\*Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences.

XX. PROPOSED WATER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION:

<u>Meter Size</u>	<u>Connection Fee</u>
<u>5/8" x 3/4"</u>	<u>\$ 187.50*</u>
<u>1 - Inch</u>	<u>\$ _____</u>
<u>1-1/2 Inch</u>	<u>\$ _____</u>
<u>2 - Inch</u>	<u>\$ _____</u>
<u>3 - Inch</u>	<u>\$ _____</u>
<u>4 - Inch</u>	<u>\$ _____</u>
<u>5 - Inch</u>	<u>\$ _____</u>
<u>6 - Inch</u>	<u>\$ _____</u>

\* regular connection fee is 375.00; fee is reduced to \$187.50 if commitment is made prior to project construction.

**XXI. SEWER RATES – PROPOSED N/A**

**A. Proposed Rate Schedule without RUS Grant:**

Percentage of Water Bill \_\_\_\_\_ % Minimum Charge \$ \_\_\_\_\_

Other: (If Charge Not Based on Water Bill) \_\_\_\_\_

**Proposed Rate Schedule: (Without RUS Grant)**

First	_____ Gallons @ \$ _____	Minimum.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
All Over	_____ Gallons @ \$ _____	per 1,000 Gallons.

*The above proposed rate, without RUS grant, must be completed for each grant. If the applicant/engineer desires, there is no objection to recommending a proposed rate with an estimated RUS grant in the Table below. However, the preparer should remember that the Table (A) above must be completed prior to Table (B).*

**B. Recommended Rate Schedule with RUS Grant:**

Percentage of Water Bill \_\_\_\_\_ % Minimum Charge \$ \_\_\_\_\_

Other: (If Charge Not Based on Water Bill) \_\_\_\_\_

**Recommended Rate Schedule: (With RUS Grant)**

First	_____ Gallons @ \$ _____	Minimum.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
Next	_____ Gallons @ \$ _____	per 1,000 Gallons.
All Over	_____ Gallons @ \$ _____	per 1,000 Gallons.

*If more than one rate, use additional sheets.*

XXII. WATER RATES - PROPOSED

A. Proposed Rate Schedule without RUS Grant:

First	<u>1,500</u>	Gallons @ \$	<u>11.50</u>	Minimum.
Next	<u>23,500</u>	Gallons @ \$	<u>4.35</u>	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
All Over	<u>25,000</u>	Gallons @ \$	<u>3.45</u>	per 1,000 Gallons.
Wholesale to City of Brownsville:		@ \$	<u>2.70</u>	per 1,000 Gallons.

The above proposed rate, without RUS grant, must be completed for each grant. If the applicant/engineer desires, there is no objection to recommending a proposed rate with an estimated RUS grant in the Table below. However, the preparer should remember that the Table (A) above must be completed prior to Table (B).

B. Recommended Rate Schedule with RUS Grant: w/ 40% grant of \$655,000

First	<u>1,500</u>	Gallons @ \$	<u>11.50</u>	Minimum.
Next	<u>23,500</u>	Gallons @ \$	<u>4.25</u>	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
Next	_____	Gallons @ \$	_____	per 1,000 Gallons.
All Over	<u>25,000</u>	Gallons @ \$	<u>3.40</u>	per 1,000 Gallons.
Wholesale to City of Brownsville:		@ \$	<u>2.70</u>	per 1,000 Gallons.

If more than one rate, use additional sheets.

**XXIII. FORECAST OF SEWER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS**

N/A

<i>Meter Size*</i>	<i>Monthly Sewer Usage</i>	<i>Average Rate</i>	<i>Residential</i>			<i>Non-Residential</i>		
			<i>No. of Users** (1000)</i>	<i>Usage (1000)</i>	<i>Income</i>	<i>No. of Users</i>	<i>Usage (1000)</i>	<i>Income</i>
	0 - 2,000 Gallons	1,000						
	2,000 - 3,000 Gallons	2,500						
	3,000 - 4,000 Gallons	3,500						
	4,000 - 5,000 Gallons	4,500						
	5,000 - 6,000 Gallons	5,500						
	6,000 - 7,000 Gallons	6,500						
	7,000 - 8,000 Gallons	7,500						
	8,000 - 9,000 Gallons	8,500						
	9,000 - 10,000 Gallons	9,500						
5/8	10,000 - 11,000 Gallons	10,500						
x	11,000 - 12,000 Gallons	11,500						
3/4	12,000 - 13,000 Gallons	12,500						
Inch	13,000 - 14,000 Gallons	13,500						
	14,000 - 15,000 Gallons	14,500						
	15,000 - 16,000 Gallons	15,500						
	16,000 - 17,000 Gallons	16,500						
	17,000 - 18,000 Gallons	17,500						
	18,000 - 19,000 Gallons	18,500						
	19,000 - 20,000 Gallons	19,500						
	- Gallons							
	- Gallons							
	- Gallons							
	<b>Sub-Total</b>		( )	( )	( )	( )	( )	( )
	<b>Average Monthly Rate</b> ( )							
	<b>Average Monthly Usage</b>		( )			( )		

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

	-	Gallons							
	-	Gallons							
1-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
		<b>Sub-Total</b>		( )	( )	( )	( )	( )	( )
	-	Gallons							
	-	Gallons							
1-1/2	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
		<b>Sub-Total</b>		( )	( )	( )	( )	( )	( )
	-	Gallons							
	-	Gallons							
2-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
		<b>Sub-Total</b>		( )	( )	( )	( )	( )	( )
	-	Gallons							
	-	Gallons							
3-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
		<b>Sub-Total</b>		( )	( )	( )	( )	( )	( )
	-	Gallons							
	-	Gallons							
4-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
		<b>Sub-Total</b>		( )	( )	( )	( )	( )	( )

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

	-	Gallons					
	-	Gallons					
5-	-	Gallons					
Inch	-	Gallons					
	-	Gallons					
	-	Gallons					
		<b>Sub-Total</b>	( )	( )	( )	( )	( )
	-	Gallons					
	-	Gallons					
6-	-	Gallons					
Inch	-	Gallons					
	-	Gallons					
	-	Gallons					
		<b>Sub-Total</b>	( )	( )	( )	( )	( )
		<b>TOTALS</b>	( )	( )	( )	( )	( )

**MULTI-FAMILY AND APARTMENT USER ANALYSIS**

*If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.*

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

**XXIV. FORECAST OF SEWER USAGE - INCOME - NEW USERS - EXTENSION ONLY**

N/A

<i>Meter Size*</i>	<i>Monthly Sewer Usage</i>	<i>Average Rate</i>	<i>Residential</i>			<i>Non-Residential</i>		
			<i>No. of Users** (1000)</i>	<i>Usage (1000)</i>	<i>Income</i>	<i>No. of Users</i>	<i>Usage (1000)</i>	<i>Income</i>
	0 - 2,000 Gallons	1,000						
	2,000 - 3,000 Gallons	2,500						
	3,000 - 4,000 Gallons	3,500						
	4,000 - 5,000 Gallons	4,500						
	5,000 - 6,000 Gallons	5,500						
	6,000 - 7,000 Gallons	6,500						
	7,000 - 8,000 Gallons	7,500						
	8,000 - 9,000 Gallons	8,500						
	9,000 - 10,000 Gallons	9,500						
5/8	10,000 - 11,000 Gallons	10,500						
x	11,000 - 12,000 Gallons	11,500						
3/4	12,000 - 13,000 Gallons	12,500						
Inch	13,000 - 14,000 Gallons	13,500						
	14,000 - 15,000 Gallons	14,500						
	15,000 - 16,000 Gallons	15,500						
	16,000 - 17,000 Gallons	16,500						
	17,000 - 18,000 Gallons	17,500						
	18,000 - 19,000 Gallons	18,500						
	19,000 - 20,000 Gallons	19,500						
	- Gallons							
	- Gallons							
	- Gallons							
	<i>Sub-Total</i>		( )	( )	( )	( )	( )	( )
	<i>Average Monthly Rate</i> ( )							
	<i>Average Monthly Usage</i>			( )			( )	

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

	-	Gallons						
	-	Gallons						
1-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
1-1/2	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
2-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
3-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
4-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

	-	Gallons						
	-	Gallons						
5-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )
	-	Gallons						
	-	Gallons						
6-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		<b>Sub-Total</b>		( )	( )	( )	( )	( )
		<b>TOTALS</b>		( )	( )	( )	( )	( )

**MULTI-FAMILY AND APARTMENT USER ANALYSIS**

*If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.*

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

**XXV. FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS  
SEE ATTACHED SHEET FOR SPREADSHEET**

Meter Size*	Monthly Sewer Usage	Average Rate	Residential		Non-Residential	
			No. of Users** (1000)	Usage Income (1000)	No. of Users (1000)	Usage Income (1000)
	0 - 2,000 Gallons	1,000				
	2,000 - 3,000 Gallons	2,500				
	3,000 - 4,000 Gallons	3,500				
	4,000 - 5,000 Gallons	4,500				
	5,000 - 6,000 Gallons	5,500				
	6,000 - 7,000 Gallons	6,500				
	7,000 - 8,000 Gallons	7,500				
	8,000 - 9,000 Gallons	8,500				
	9,000 - 10,000 Gallons	9,500				
5/8	10,000 - 11,000 Gallons	10,500				
x	11,000 - 12,000 Gallons	11,500				
3/4	12,000 - 13,000 Gallons	12,500				
Inch	13,000 - 14,000 Gallons	13,500				
	14,000 - 15,000 Gallons	14,500				
	15,000 - 16,000 Gallons	15,500				
	16,000 - 17,000 Gallons	16,500				
	17,000 - 18,000 Gallons	17,500				
	18,000 - 19,000 Gallons	18,500				
	19,000 - 20,000 Gallons	19,500				
	- Gallons					
	- Gallons					
	- Gallons					
	<b>Sub-Total</b>		( )	( )	( )	( )
	<b>Average Monthly Rate</b>	( )				
	<b>Average Monthly Usage</b>		( )		( )	

\* Breakdown of meter size usage is not required unless different water rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

*Proposed*

~~Existing~~ Rate Schedule

Water Rate	Min. (1500 gal.)@	\$11.50
	Next 6500 gals.@	\$4.35 per 1000
	Next 12000 gals.@	\$4.35 per 1000
	Next 5,000 gals.@	\$4.35 per 1000
	All Over 25,000 gals.@	\$3.45 per 1000
	Wholesale to Brownsville@	\$2.50 per 1000

XXV. FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS <sup>\$NEW</sup> <sup>\$NEW</sup> <sup>24 PROPOSED</sup>  
RATES

Meter Size	Monthly Water Usage	Average	Average Rate	No. of Users	Residential Usage (1000)	Income	No. of Users	Non-Residential Usage (1000)	Income
	0 - 1,500 Gallons	750	\$11.50	3580	2670	\$40,940.00	0	0	\$0.00
	1,500 - 2,000 Gallons	1,750	\$12.59	600	1050	\$7,552.50	0	0	\$0.00
	2,000 - 3,000 Gallons	2,500	\$15.85	1160	2900	\$18,386.00	0	0	\$0.00
	3,000 - 4,000 Gallons	3,500	\$20.20	1070	3745	\$21,614.00	1	3.5	\$20.20
	4,000 - 5,000 Gallons	4,500	\$24.55	810	3645	\$19,885.50	15	67.5	\$368.25
	5,000 - 6,000 Gallons	5,500	\$28.90	585	3217.5	\$16,906.50	1	5.5	\$28.90
	6,000 - 7,000 Gallons	6,500	\$33.25	390	2535	\$12,967.50	0	0	\$0.00
	7,000 - 8,000 Gallons	7,500	\$37.60	245	1837.5	\$9,212.00	0	0	\$0.00
	8,000 - 9,000 Gallons	8,500	\$41.95	162	1377	\$6,795.90	0	0	\$0.00
	9,000 - 10,000 Gallons	9,500	\$46.30	114	1083	\$5,278.20	0	0	\$0.00
5/8	10,000 - 11,000 Gallons	10,500	\$50.65	76	798	\$3,849.40	0	0	\$0.00
x	11,000 - 12,000 Gallons	11,500	\$55.00	50	575	\$2,750.00	4	46	\$220.00
3/4	12,000 - 13,000 Gallons	12,500	\$59.35	39	487.5	\$2,314.65	1	12.5	\$59.35
Inch	13,000 - 14,000 Gallons	13,500	\$63.70	30	405	\$1,911.00	1	13.5	\$63.70
	14,000 - 15,000 Gallons	14,500	\$68.05	18	261	\$1,224.90	5	72.5	\$340.25
	15,000 - 16,000 Gallons	15,500	\$72.40	17	263.5	\$1,230.80	1	15.5	\$72.40
	16,000 - 17,000 Gallons	16,500	\$76.75	15	247.5	\$1,151.25	0	0	\$0.00
	17,000 - 18,000 Gallons	17,500	\$81.10	16	280	\$1,297.60	0	0	\$0.00
	18,000 - 19,000 Gallons	18,500	\$85.45	10	185	\$854.50	0	0	\$0.00
	19,000 - 20,000 Gallons	19,500	\$89.80	18	351	\$1,616.40	0	0	\$0.00
	20,000 - 25,000 Gallons	22,500	\$102.85	15	337.5	\$1,542.75	0	0	\$0.00
	25,000 - 30,000 Gallons	27,500	\$122.35	12	330	\$1,468.20	3	82.5	\$367.05
	30,000 - 40,000 Gallons	35,000	\$148.23	12	420	\$1,778.70	3	105	\$444.68
	40,000 - 50,000 Gallons	44,000	\$179.28	9	396	\$1,613.48	0	0	\$0.00
	50,000 - 75,000 Gallons	60,000	\$234.48	7	420	\$1,641.33	5	300	\$1,172.38
	75,000 - 1,000,000 Gallons	275,000	\$976.23	0	0	\$0.00	14	3850	\$13,667.15
	Sub-Total			9040	29,817	\$185,783.05	54	4574	\$16,824.30
	Average Monthly Rate		\$22.28						
	Average Monthly Usage				3.30			84.70	
4-inch	City of Brownsville	Gallons	3,000,000	\$7,500.00			1	3000	\$7,500.00
	Sub-Total			9040	29,817	\$185,783.05	55	7574	\$24,324.30
	Total monthly Income					\$210,107.35			
	Total yearly Income					\$2,521,288.20			
	Total customers			9095					

		Gallons							
		Gallons							
1-		Gallons							
Inch		Gallons							
		Gallons							
		Gallons							
		Sub-Total		( )	( )	( )	( )	( )	( )

		Gallons							
		Gallons							
1-1/2		Gallons							
Inch		Gallons							
		Gallons							
		Gallons							
		Sub-Total		( )	( )	( )	( )	( )	( )

		Gallons							
		Gallons							
2-		Gallons							
Inch		Gallons							
		Gallons							
		Gallons							
		Sub-Total		( )	( )	( )	( )	( )	( )

		Gallons							
		Gallons							
3-		Gallons							
Inch		Gallons							
		Gallons							
		Gallons							
		Sub-Total		( )	( )	( )	( )	( )	( )

		Gallons							
		Gallons							
4-		Gallons							
Inch		Gallons							
		Gallons							
		Gallons							
		Sub-Total		( )	( )	( )	( )	( )	( )

\* Breakdown of meter size usage is not required unless different water rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

	-	Gallons						
	-	Gallons						
5-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )
	-	Gallons						
	-	Gallons						
6-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )
		TOTALS		( )	( )	( )	( )	( )

MULTI-FAMILY AND APARTMENT USER ANALYSIS N/A

If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\* Breakdown of meter size usage is not required unless different water rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

XXVI. FORECAST OF WATER USAGE - INCOME - NEW USERS - EXTENSION ONLY

Meter Size*	Monthly Sewer Usage	Average Rate	Residential			Non-Residential		
			No. of Users** (1000)	Usage (1000)	Income	No. of Users (1000)	Usage (1000)	Income
	0 - 2,000 Gallons	1,000						
	2,000 - 3,000 Gallons	2,500						
	3,000 - 4,000 Gallons	3,500	<u>20.20</u>	<u>67</u>	<u>234.5</u>	<u>1353</u>		
	4,000 - 5,000 Gallons	4,500						
	5,000 - 6,000 Gallons	5,500						
	6,000 - 7,000 Gallons	6,500						
	7,000 - 8,000 Gallons	7,500						
	8,000 - 9,000 Gallons	8,500						
	9,000 - 10,000 Gallons	9,500						
5/8	10,000 - 11,000 Gallons	10,500						
x	11,000 - 12,000 Gallons	11,500						
3/4	12,000 - 13,000 Gallons	12,500						
Inch	13,000 - 14,000 Gallons	13,500						
	14,000 - 15,000 Gallons	14,500						
	15,000 - 16,000 Gallons	15,500						
	16,000 - 17,000 Gallons	16,500						
	17,000 - 18,000 Gallons	17,500						
	18,000 - 19,000 Gallons	18,500						
	19,000 - 20,000 Gallons	19,500						
	- Gallons							
	- Gallons							
	- Gallons							
	<b>Sub-Total</b>		<b>( <u>67</u> )</b>	<b>( <u>234.5</u> )</b>	<b>( <u>1353</u> )</b>	<b>( )</b>	<b>( )</b>	<b>( )</b>
	<b>Average Monthly Rate</b>	<b>(<u>20.20</u>)</b>						
	<b>Average Monthly Usage</b>			<b>(<u>3500</u>)</b>			<b>( )</b>	

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".

	-	Gallons						
	-	Gallons						
1-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
1-1/2	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
2-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
3-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )

	-	Gallons						
	-	Gallons						
4-	-	Gallons						
Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Sub-Total		( )	( )	( )	( )	( )

\* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

\*\* Number of users should reflect the actual number of "meter settings".



**XXVII. CURRENT OPERATING BUDGET - (SEWER SYSTEM) N/A**  
*(As of the last full operating year.)*

**A. Operating Income:**

<i>Sewer Revenue</i>	\$ _____
<i>Late Charge Fees</i>	_____
<i>Other (Describe)</i>	_____
<i>Less Allowances and Deductions</i>	( _____ )
<b>Total Operating Income</b>	<b>\$ _____</b>

**B. Operation and Maintenance Expenses:**  
*(Based on Uniform System of Accounts prescribed by National Association of  
 Regulatory Utility Commissioners)*

<i>Operation Expense</i>	\$ _____
<i>Maintenance Expense</i>	_____
<i>Customer Accounts Expense</i>	_____
<i>Administrative and General Expense</i>	_____
<b>Total Operating and Maintenance Expenses</b>	<b>\$ _____</b>
<b>Net Operating Income</b>	<b>\$ _____</b>

**C. Non-Operating Income:**

<i>Interest on Deposits</i>	\$ _____
<i>Other (Identify)</i>	_____
<b>Total Non-Operating Income</b>	<b>\$ _____</b>

**D. Net Income** \$ \_\_\_\_\_

**E. Debt Repayment:**

<i>RUS Interest</i>	\$ _____
<i>RUS Principal</i>	_____
<i>Non-RUS Interest</i>	_____
<i>Non-RUS Principal</i>	_____
<b>Total Debt Repayment</b>	<b>\$ _____</b>

**F. Balance Available for Coverage** \$ \_\_\_\_\_

**XXVIII. PROPOSED OPERATING BUDGET - (SEWER SYSTEM) - EXISTING SYSTEM**  
**AND NEW USERS** (1st Full Year of Operation) Year Ending \_\_\_\_\_

N/A

**A. Operating Income:**

*Sewer Revenue* \$ \_\_\_\_\_  
*Late Charge Fees* \_\_\_\_\_  
*Other (Describe)* \_\_\_\_\_  
*Less Allowances and Deductions* ( \_\_\_\_\_ )  
*Total Operating Income* \$ \_\_\_\_\_

**B. Operation and Maintenance Expenses:**

*(Based on Uniform System of Accounts prescribed by National Association of  
Regulatory Utility Commissioners)*

*Operation Expense* \$ \_\_\_\_\_  
*Maintenance Expense* \_\_\_\_\_  
*Customer Accounts Expense* \_\_\_\_\_  
*Administrative and General Expense* \_\_\_\_\_  
*Total Operating and Maintenance Expenses* \$ \_\_\_\_\_  
*Net Operating Income* \$ \_\_\_\_\_

**C. Non-Operating Income:**

*Interest on Deposits* \$ \_\_\_\_\_  
*Other (Identify)* \_\_\_\_\_  
*Total Non-Operating Income* \$ \_\_\_\_\_

**D. Net Income**

\$ \_\_\_\_\_

**E. Debt Repayment:**

*RUS Interest* \$ \_\_\_\_\_  
*RUS Principal* \_\_\_\_\_  
*Non-RUS Interest* \_\_\_\_\_  
*Non-RUS Principal* \_\_\_\_\_  
*Total Debt Repayment* \$ \_\_\_\_\_

**F. Balance Available for Coverage**

\$ \_\_\_\_\_

**XXIX. PROPOSED OPERATING BUDGET - (SEWER SYSTEM) - NEW USERS - N/A**  
**EXTENSION ONLY** (1st Full Year of Operation) Year Ending \_\_\_\_\_

**A. Operating Income:**

<i>Sewer Revenue</i>	\$ _____
<i>Late Charge Fees</i>	_____
<i>Other (Describe)</i>	_____
<i>Less Allowances and Deductions</i>	( _____ )
<i>Total Operating Income</i>	\$ _____

**B. Operation and Maintenance Expenses:**

*(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)*

<i>Operation Expense</i>	\$ _____
<i>Maintenance Expense</i>	_____
<i>Customer Accounts Expense</i>	_____
<i>Administrative and General Expense</i>	_____
<i>Total Operating and Maintenance Expenses</i>	\$ _____
<i>Net Operating Income</i>	\$ _____

**C. Non-Operating Income:**

<i>Interest on Deposits</i>	\$ _____
<i>Other (Identify)</i>	_____
<i>Total Non-Operating Income</i>	\$ _____

**D. Net Income**

\$ \_\_\_\_\_

**E. Debt Repayment:**

<i>RUS Interest</i>	\$ _____
<i>RUS Principal</i>	_____
<i>Non-RUS Interest</i>	_____
<i>Non-RUS Principal</i>	_____
<i>Total Debt Repayment</i>	\$ _____

**F. Balance Available for Coverage**

\$ \_\_\_\_\_

XXX. CURRENT OPERATING BUDGET - (WATER SYSTEM)  
 (As of the last full operating year.) Based on 2004 Audit Report

A. Operating Income:

Water Sales	\$ <u>2,197,000</u>
Disconnect/Reconnect/Late Charge Fees	<u>63,000</u>
Other (Describe)-Installation Fees	<u>10,000</u>
Less Allowances and Deductions - Taxes	( <u>47,000</u> )
Total Operating Income	\$ <u>2,223,000</u>

B. Operation and Maintenance Expenses:

(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)

Source of Supply Expense	\$ <u>2,000</u>
Pumping Expense	<u>                    </u>
Water Treatment Expense	<u>400,000</u>
Transmission and Distribution Expense	<u>270,000</u>
Customer Accounts Expense	<u>260,000</u>
Administrative and General Expense	<u>240,000</u>
Total Operating Expenses	\$ <u>1,172,000</u>
Net Operating Income	\$ <u>1,051,000</u>

C. Non-Operating Income:

Interest on Deposits	\$ <u>77,000</u>
Other (Identify)	<u>                    </u>
Total Non-Operating Income	\$ <u>77,000</u>

D. Net Income \$ 1,128,000

E. Debt Repayment:

RUS Interest	\$ <u>380,000</u>
RUS Principal	<u>106,000</u>
Non-RUS Interest	<u>180,000</u>
Non-RUS Principal	<u>160,000</u>
Total Debt Repayment	\$ <u>826,000</u>

F. Balance Available for Coverage \$ 302,000

XXXI. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - EXISTING SYSTEM  
AND NEW USERS (1st Full Year of Operation) Year Ending 2007  
*w/ PROPOSED RATES*

A. Operating Income:	
Water Sales	\$ <u>2,521,000</u>
Disconnect/Reconnect/Late Charge Fees	<u>60,000</u>
Other (Describe) – Installation Fees	<u>10,000</u>
Less Allowances and Deductions - Taxes	( <u>70,000</u> )
Total Operating Income	\$ <u>2,521,000</u>
B. Operation and Maintenance Expenses:	
(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)	
Source of Supply Expense	\$ <u>2,000</u>
Pumping Expense	<u>                    </u>
Water Treatment Expense	<u>506,000</u>
Transmission and Distribution Expense	<u>400,000</u>
Customer Accounts Expense	<u>330,000</u>
Administrative and General Expense	<u>330,000</u>
Total Operating Expenses	\$ <u>1,568,000</u>
Net Operating Income	\$ <u>953,000</u>
C. Non-Operating Income:	
Interest on Deposits	\$ <u>50,000</u>
Other (Identify)	<u>                    </u>
Total Non-Operating Income	\$ <u>50,000</u>
D. Net Income	\$ <u>1,003,000</u>
E. Debt Repayment:	
RUS Interest	\$ <u>373,000</u>
RUS Principal	<u>131,000</u>
Non-RUS Interest	<u>136,000</u>
Non-RUS Principal	<u>145,000</u>
Total Debt Repayment	\$ <u>785,000</u>
F. Balance Available for Coverage	\$ <u>218,000</u>

XXXII. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - NEW USERS -  
EXTENSION ONLY (1st Full Year of Operation) Year Ending 2007

A. Operating Income:

Water Sales	\$ <u>16,240</u>
Disconnect/Reconnect/Late Charge Fees	<u>                    </u>
Other (Describe)	<u>                    </u>
Less Allowances and Deductions	<u>(                    )</u>
Total Operating Income	\$ <u>16,240</u>

B. Operation and Maintenance Expenses:

(Based on Uniform System of Accounts prescribed by National Association of  
Regulatory Utility Commissioners)

Source of Supply Expense	\$ <u>                    </u>
Pumping Expense	<u>                    </u>
Water Treatment Expense	<u>3,500</u>
Transmission and Distribution Expense	<u>1,000</u>
Customer Accounts Expense	<u>600</u>
Administrative and General Expense	<u>600</u>
Total Operating Expenses	\$ <u>5,700</u>
Net Operating Income	\$ <u>10,540</u>

C. Non-Operating Income:

Interest on Deposits	\$ <u>                    </u>
Other (Identify)	<u>                    </u>
Total Non-Operating Income	\$ <u>                    </u>

D. Net Income

\$ 10,540

E. Debt Repayment: Based on \$1,638,000 loan

RUS Interest	\$ <u>73,710</u>
RUS Principal	<u>17,035</u>
Non-RUS Interest	<u>                    </u>
Non-RUS Principal	<u>                    </u>
Total Debt Repayment	\$ <u>90,745</u>

F. Balance Available for Coverage

\$ (-80,205)

**XXXIII. ESTIMATED PROJECT COST – SEWER    N/A**

*(Round to nearest \$100)*

	<u>Collection</u>	<u>Treatment</u>	<u>Total</u>
<i>Development</i>	_____	_____	_____
<i>Land and Rights</i>	_____	_____	_____
<i>Legal</i>	_____	_____	_____
<i>Engineering</i>	_____	_____	_____
<i>Interest</i>	_____	_____	_____
<i>Contingencies</i>	_____	_____	_____
<i>Initial Operating and Maintenance</i>	_____	_____	_____
<i>Other</i>	_____	_____	_____
<b>TOTAL</b>	_____	_____	_____

**XXXIV. PROPOSED PROJECT FUNDING – SEWER    N/A**

	<u>Collection</u>	<u>Treatment</u>	<u>Total</u>
<i>Applicant - User Contribution Fees</i>	_____	_____	_____
<i>Other - Applicant Contribution</i>	_____	_____	_____
<i>RUS Loan</i>	_____	_____	_____
<i>RUS Grant</i>	_____	_____	_____
<i>ARC Grant (If applicable)</i>	_____	_____	_____
<i>CDBG (If applicable)</i>	_____	_____	_____
<i>Other (Specify)</i>	_____	_____	_____
<i>Other (Specify)</i>	_____	_____	_____

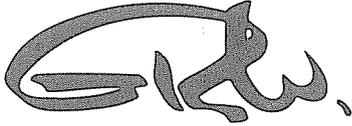
XXXV. ESTIMATED PROJECT COST - WATER

Development	\$ <u>1,888,000</u>
Land and Rights	<u>5,000</u>
Legal and Administrative	<u>25,000</u>
Engineering	<u>255,000</u>
Interest	<u>60,000</u>
Contingencies	<u>182,000</u>
Initial Operating and Maintenance	<u>                    </u>
Other - Environmental Survey (if required)	<u>5,000</u>
TOTAL	\$ <u>2,420,000</u>

XXXVI. PROPOSED PROJECT FUNDING

Applicant - User Connection Fees	\$ <u>12,000</u>
Other Applicant Contribution	<u>                    </u>
RUS Loan	<u>1,638,000</u>
RUS Grant	<u>                    </u>
ARC Grant (If applicable)	<u>                    </u>
CDBG (If applicable)	<u>                    </u>
Other (Specify) KIA (KY State Legislature)	<u>770,000</u>
Other (Specify)	<u>                    </u>
TOTAL	\$ <u>2,420,000</u>





404 BNA Drive  
 Suite 201  
 Nashville, TN 37217  
 Tel 615 / 366-1600  
 Fax 615 / 366-0406

Engineering  
 Architecture  
 Planning  
 GIS  
 Aviation Consultants

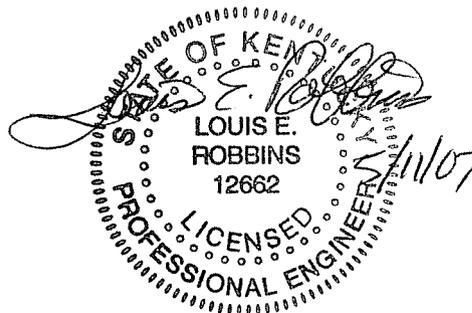
Arlington, TX  
 Cincinnati, OH  
 Indianapolis, IN  
 Knoxville, TN  
 Lexington, KY  
 Louisville, KY

GRW Engineers, Inc.

FINAL ENGINEERING REPORT  
EDMONSON COUNTY WATER DISTRICT  
2005 RD/KIA WATER SYSTEM IMPROVEMENTS  
MAY 2007

Total Construction - Bids Received 5/8/07:	\$2,625,136
Land & Rights:	\$25,000
KIA Grant Administration Fee:	\$5,193
Legal & Administrative:	\$27,000
Advertising, etc.: \$3,000	
Bond Counsel: \$16,000	
Local Counsel: \$8,000	
Engineering:	\$329,000
Preliminary Engineering: \$5,000	
Easement/Property Owners Identification: \$4,000	
PSC Related: \$4,000	
Hydraulic Analysis Update: \$4,000	
Design: \$193,735	
Inspection: \$118,281	
Geotechnical Investigation:	\$4,000
Environmental Survey (if required):	\$0
Interest During Construction:	\$60,000
Contingencies:	<u>\$133,171</u>
<b>TOTAL PROJECT COSTS:</b>	<b>\$3,208,500</b>

Financing:	
RUS Loan:	\$1,200,000
RUS Grant:	\$438,000
KIA:	\$770,000
Applicant Contribution:	\$12,000
Additional KIA:	\$268,500
<b>ADDITIONAL RUS FUNDING:</b>	<b><u>\$520,000</u></b>
<b>TOTAL:</b>	<b>\$3,208,500</b>





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 Lexington, KY  
 Louisville, KY

**GRW Engineers, Inc.**

May 11, 2007

Mr. Jimmy Mills, Chairman  
 Edmonson County Water District  
 1128 Hwy 259 North  
 P.O. Box 208  
 Brownsville, KY 42210

Re: 2005 RD/KIA Water System Improvements  
 Recommendations for Award: Contract W07-01: 2005 RD/KIA Water Line Extensions  
 Contract W07-02: 250,000 Gallon Elevated Water Tank  
 Contract W07-03: Wax Water Treatment Plant Modifications

Dear Mr. Mills:

Bids on Contracts W07-01, W07-02, and W07-03: 2005 RD/KIA Water System Improvements were received and opened on May 8, 2007. Bids received were as follows (copies of bid tabulations enclosed):

Contract W07-01: 2005 RD/KIA Water Line Extensions

1. Horsley Construction, Inc.	\$ 1,597,205.65
2. Gary Clifford, Inc.	\$ 1,715,507.52
3. WHF, Inc.	\$ 1,788,570.00
4. Cleary Construction Co., Inc.	\$ 1,950,689.25
5. Bobby Luttrell & Sons, LLC	\$ 2,129,318.50
6. Smith Contractors, Inc.	\$ 2,629,000.00

Contract W07-02: 250,000 Gallon Elevated Water Tank

1. Caldwell Tanks	\$ 652,930.00
2. Phoenix Fabricators and Erectors, Inc.	\$ 759,508.00

Contract W07-03: Wax Water Treatment Plant Modifications

1. NAC Heavy Highway, Inc.	\$ 375,000.00
2. Smith Contractors, Inc.	\$ 460,000.00

The low bids exceeded the funds previously budgeted; however, additional funds are expected to be made available from RD. We have checked references on each of the Contractors submitting low bids and are of the opinion that each of them has a good reputation and is capable of completing the work as shown and specified in an acceptable manner. We hereby recommend award of the Contract W07-01 to Horsley Construction, Inc., in the amount of \$1,597,205.65; Contract W07-02 to Caldwell Tanks in the amount of \$652,930.00; and Contract W07-03 to NAC Heavy Highway, Inc. in the amount of \$375,000.00 contingent upon approval by Rural Development. The total construction costs are \$2,625,135.65 and the total project costs are estimated at \$3,208,500.00 as shown on the attached Project Costs Summary.

Mr. Jimmy Mills  
May 11, 2007  
Page 2

Please call if you have any questions or need additional information.

Sincerely,

Louis E. Robbins, P.E.

Enclosures

cc: Kevin Antle, RD Columbia  
William Davis, Ogden Newell & Welch PLLC  
File 7771 A

CERTIFIED BID TABULATION - BIDS RECEIVED MAY 8, 2007  
 EDMONSON COUNTY WATER DISTRICT  
 CONTRACT W07-01: 2005 RD/KIA WATER LINES



CONTRACT W07-01		Horsley Construction, Inc.	Gary Clifford, Inc.	WHP, Inc.	Cleary Construction Co., Inc.	Bobby Luttrell & Sons, Inc.	Smith Contractors, Inc.							
Item	Approx. Quantity	Description	Unit	Total Price	Unit	Total Price	Unit	Total Price	Unit	Total Price	Unit	Total Price		
No.			Price	Price	Price	Price	Price	Price	Price	Price	Price	Price		
1	34,340 LF	12" PVC Pipe SDR-17, including fittings, thrust blocking, complete and in place as shown on the plans	\$18.61	\$639,067.40	\$18.62	\$639,410.80	\$19.00	\$652,460.00	\$20.60	\$707,404.00	\$20.65	\$709,121.00	\$28.00	\$961,520.00
2	525 LF	12" PVC Pipe SDR-17, w/granular backfill including fittings, thrust blocking, complete and in place as shown on the plans	\$17.90	\$9,397.50	\$25.62	\$13,450.50	\$22.00	\$11,550.00	\$29.00	\$15,225.00	\$27.00	\$14,175.00	\$35.00	\$18,375.00
3	460 LF	12" DIP, including fittings, thrust blocking, complete and in place as shown on the plans	\$29.05	\$13,363.00	\$73.03	\$33,593.80	\$28.00	\$12,880.00	\$55.00	\$25,300.00	\$37.50	\$17,250.00	\$32.00	\$14,720.00
4	12,255 LF	6" PVC Pipe SDR 21, including fittings, thrust blocking, complete and in place as shown on the plans	\$7.03	\$86,152.65	\$6.00	\$73,530.00	\$7.00	\$85,785.00	\$7.75	\$94,976.25	\$6.70	\$82,108.50	\$16.00	\$196,080.00
5	690 LF	6" PVC Pipe SDR 21, w/granular backfill including fittings, thrust blocking, complete and in place as shown on the plans	\$7.03	\$4,850.70	\$10.77	\$7,431.30	\$9.00	\$6,210.00	\$13.00	\$8,970.00	\$10.70	\$7,383.00	\$22.00	\$15,180.00
6	41,400 LF	4" PVC Pipe SDR 21, including fittings, thrust blocking, complete and in place as shown on the plans	\$5.58	\$231,012.00	\$4.62	\$191,268.00	\$8.00	\$331,200.00	\$6.30	\$260,820.00	\$10.30	\$426,420.00	\$14.00	\$579,600.00
7	1,200 LF	4" PVC Pipe SDR 21, w/granular backfill including fittings, thrust blocking, complete and in place as shown on the plans	\$5.58	\$6,696.00	\$9.32	\$11,184.00	\$8.50	\$10,200.00	\$12.00	\$14,400.00	\$14.30	\$17,160.00	\$20.00	\$24,000.00
8	6,415 LF	4" PVC Pipe SDR 17, including fittings, thrust blocking, complete and in place as shown on the plans	\$5.84	\$37,463.60	\$6.58	\$42,210.70	\$7.00	\$44,905.00	\$6.60	\$42,339.00	\$4.60	\$29,509.00	\$15.00	\$96,225.00
9	20 LF	4" PVC Pipe SDR 17, w/granular backfill including fittings, thrust blocking, complete and in place as shown on the plans	\$5.84	\$116.80	\$11.58	\$231.60	\$8.00	\$160.00	\$12.50	\$250.00	\$8.60	\$172.00	\$21.00	\$420.00
10	6,200 LF	3" PVC Pipe SDR 21, including fittings, thrust blocking, complete and in place as shown on the plans	\$5.07	\$31,434.00	\$4.00	\$24,800.00	\$5.00	\$31,000.00	\$5.80	\$35,960.00	\$3.95	\$22,010.00	\$13.00	\$80,600.00
11	200 LF	3" PVC Pipe SDR 21, w/granular backfill including fittings, thrust blocking, complete and in place as shown on the plans	\$5.07	\$1,014.00	\$9.00	\$1,800.00	\$7.00	\$1,400.00	\$11.00	\$2,200.00	\$7.55	\$1,510.00	\$19.00	\$3,800.00
12	104,500 LF	No. 12 Copper Locallor Wire, complete in place as shown on the plans	\$0.13	\$13,585.00	\$0.20	\$20,900.00	\$0.16	\$16,720.00	\$0.15	\$15,675.00	\$0.20	\$20,900.00	\$0.50	\$52,250.00
13	260 LF	B&J Under St. Hwy. & County Rds w/18" Dia. Steel Casing Pipe (0.375"thk) w/12" DIP Carrier Pipe w/Restrained Joint Gaskets, complete and in place as shown on the plans	\$150.00	\$39,000.00	\$181.80	\$47,294.00	\$160.00	\$41,600.00	\$200.00	\$52,000.00	\$280.00	\$72,800.00	\$224.00	\$58,240.00
14	60 LF	B&J County Rds w/18" Dia. PVC Casing Pipe w/12" DIP Carrier Pipe w/Restrained Joint Gaskets, complete and in place as shown on the plans	\$115.00	\$6,900.00	\$110.00	\$6,600.00	\$140.00	\$8,400.00	\$200.00	\$12,000.00	\$280.00	\$16,800.00	\$224.00	\$13,440.00
15	260 LF	B&J County Rds w/18" Dia. PVC Casing Pipe w/12" PVC Carrier Pipe, complete and in place as shown on the plans	\$95.00	\$24,700.00	\$92.16	\$23,961.60	\$115.00	\$29,900.00	\$150.00	\$39,000.00	\$220.00	\$57,200.00	\$224.00	\$58,240.00
16	60 LF	B&J County Rds w/10" Dia. PVC Casing Pipe w/6" PVC Carrier Pipe w/Restrained Joint Gaskets, complete and in place as shown on the plans	\$73.00	\$4,380.00	\$73.19	\$4,391.40	\$105.00	\$6,300.00	\$97.00	\$5,220.00	\$115.00	\$6,900.00	\$91.00	\$5,460.00
17	25 LF	B&J County Roads w/10" Dia. PVC Casing Pipe w/6" PVC Carrier Pipe, complete and in place as shown on the plans	\$63.00	\$1,575.00	\$72.19	\$1,804.75	\$90.00	\$2,250.00	\$80.00	\$2,000.00	\$105.00	\$2,625.00	\$91.00	\$2,275.00
18	30 LF	B&J County Roads w/8" Dia. Steel Casing Pipe w/4" PVC Carrier Pipe, complete and in place as shown on the plans	\$69.00	\$2,070.00	\$90.00	\$2,700.00	\$110.00	\$3,300.00	\$70.00	\$2,100.00	\$100.00	\$3,000.00	\$88.00	\$2,640.00
19	235 LF	B&J County Roads w/8" Dia. PVC Casing Pipe w/4" PVC Carrier Pipe, complete and in place as shown on the plans	\$59.00	\$13,865.00	\$70.00	\$16,450.00	\$110.00	\$25,850.00	\$70.00	\$16,450.00	\$100.00	\$23,500.00	\$88.00	\$20,680.00
20	40 LF	B&J County Rds w/8" Dia. PVC Casing Pipe w/3" PVC Carrier Pipe, complete and in place as shown on the plans	\$58.00	\$2,320.00	\$70.00	\$2,800.00	\$110.00	\$4,400.00	\$70.00	\$2,800.00	\$100.00	\$4,000.00	\$88.00	\$3,520.00
21	40 LF	Open Cut County Rds w/18" Dia. PVC Casing Pipe w/12" PVC Carrier Pipe, complete and in place as shown on the plans	\$85.00	\$3,400.00	\$55.00	\$2,200.00	\$110.00	\$4,400.00	\$100.00	\$4,000.00	\$60.00	\$2,400.00	\$80.00	\$3,200.00
22	220 LF	Uncased Bore Under Paved Drive w/12" PVC SDR 17 Carrier Pipe	\$52.00	\$11,440.00	\$45.00	\$9,900.00	\$60.00	\$13,200.00	\$70.00	\$15,400.00	\$135.00	\$29,700.00	\$70.00	\$15,400.00
23	140 LF	Uncased Bore Under Paved Drive w/6" PVC SDR 21 Carrier Pipe	\$33.00	\$4,620.00	\$40.00	\$5,600.00	\$50.00	\$7,000.00	\$40.00	\$5,600.00	\$70.00	\$9,800.00	\$70.00	\$9,800.00
24	110 LF	Uncased Bore under Paved Drive w/4" PVC SDR 17 Carrier Pipe	\$32.00	\$3,520.00	\$40.00	\$4,400.00	\$40.00	\$4,400.00	\$40.00	\$4,400.00	\$60.00	\$6,600.00	\$70.00	\$7,700.00
25	50 LF	Uncased Bore under Paved Drive w/3" PVC SDR 17 Carrier Pipe	\$31.00	\$1,550.00	\$38.00	\$1,900.00	\$40.00	\$2,000.00	\$40.00	\$2,000.00	\$60.00	\$3,000.00	\$70.00	\$3,500.00
26	15 EA	12" MJ Gate Valve Assembly w/Mega-Lugs, Valve Box, Concrete Pad, and Marker, complete and in place	\$1,520.00	\$22,800.00	\$1,471.81	\$22,077.15	\$1,600.00	\$24,000.00	\$1,570.00	\$23,550.00	\$1,780.00	\$26,700.00	\$2,250.00	\$33,750.00
27	4 EA	6" MJ Gate Valve Assembly w/Mega-Lugs, Valve Box, Concrete Pad, and Marker, complete and in place	\$690.00	\$2,760.00	\$791.81	\$3,167.24	\$700.00	\$2,800.00	\$700.00	\$2,800.00	\$750.00	\$3,000.00	\$840.00	\$3,360.00
28	9 EA	4" MJ Gate Valve Assembly w/Mega-Lugs, Valve Box, Concrete Pad, and Marker, complete and in place	\$575.00	\$5,175.00	\$610.00	\$5,490.00	\$600.00	\$5,400.00	\$580.00	\$5,220.00	\$650.00	\$5,850.00	\$680.00	\$6,120.00
29	2 EA	3" MJ Gate Valve Assembly w/Mega-Lugs, Valve Box, Concrete Pad, and Marker, complete and in place	\$550.00	\$1,100.00	\$510.00	\$1,020.00	\$600.00	\$1,200.00	\$540.00	\$1,080.00	\$625.00	\$1,250.00	\$650.00	\$1,300.00
30	1 EA	Connection to Existing 8" Water Line w/8" x 4" Tapping Sleeve and Valve and all associated work, complete and in place	\$1,326.00	\$1,326.00	\$2,500.00	\$2,500.00	\$1,600.00	\$1,600.00	\$1,825.00	\$1,825.00	\$1,800.00	\$1,800.00	\$2,250.00	\$2,250.00

31	5	EA	Connection to Existing 6" PVC Water Line w/6" x 6" Tapping Sleeve and Valve, and all associated work, complete and in place	\$1,600.00	\$8,000.00	\$2,400.00	\$12,000.00	\$1,300.00	\$6,500.00	\$2,100.00	\$10,500.00	\$1,950.00	\$9,750.00	\$2,250.00	\$11,250.00
32	3	EA	Connection to Existing 6" PVC Water Line w/6" x 4" Tapping Sleeve and Valve, and all associated work, complete and in place	\$1,300.00	\$3,900.00	\$2,300.00	\$6,900.00	\$1,300.00	\$3,900.00	\$1,700.00	\$5,100.00	\$1,700.00	\$5,100.00	\$2,100.00	\$6,300.00
33	7	EA	Connection to Existing 4" Water Line w/4" x 4" Tapping Sleeve and Valve, and all associated work, complete and in place	\$1,300.00	\$9,100.00	\$2,100.00	\$14,700.00	\$1,200.00	\$8,400.00	\$1,600.00	\$11,200.00	\$1,675.00	\$11,725.00	\$2,000.00	\$14,000.00
34	2	EA	Connection to Existing 3" Water Line w/3" Cutting-in Sleeve, tee, Valve and all associated work, complete and in place	\$1,000.00	\$2,000.00	\$950.00	\$1,900.00	\$1,000.00	\$2,000.00	\$1,100.00	\$2,200.00	\$825.00	\$1,650.00	\$800.00	\$1,600.00
35	2	EA	Connection to Existing 2" Water Line w/2" Cutting-in Sleeve, tee, Valve and all associated work, complete and in place	\$1,000.00	\$2,000.00	\$950.00	\$1,900.00	\$1,000.00	\$2,000.00	\$1,000.00	\$2,000.00	\$600.00	\$1,200.00	\$600.00	\$1,200.00
36	12	EA	3" Blowoff Assembly complete in place including piping, fittings, Valve, kickers and associated work	\$1,300.00	\$15,600.00	\$1,800.00	\$21,600.00	\$1,100.00	\$13,200.00	\$1,600.00	\$19,200.00	\$1,350.00	\$16,200.00	\$2,000.00	\$24,000.00
37	5	EA	3" Blowoff Assembly complete in place including piping, fittings, Valve, kickers and associated work	\$950.00	\$4,750.00	\$1,500.00	\$7,500.00	\$1,100.00	\$5,500.00	\$1,250.00	\$6,250.00	\$1,200.00	\$6,000.00	\$1,950.00	\$9,750.00
38	1	EA	3" Air Release Valve Assembly	\$2,250.00	\$2,250.00	\$2,500.00	\$2,500.00	\$1,400.00	\$1,400.00	\$2,500.00	\$2,500.00	\$2,300.00	\$2,300.00	\$1,200.00	\$1,200.00
39	5	EA	2" Air Release Valve Assembly	\$1,200.00	\$6,000.00	\$1,500.00	\$7,500.00	\$900.00	\$4,500.00	\$1,320.00	\$6,600.00	\$1,550.00	\$7,750.00	\$800.00	\$4,000.00
40	1	EA	1" Air Release Valve Assembly	\$750.00	\$750.00	\$1,000.00	\$1,000.00	\$550.00	\$550.00	\$880.00	\$880.00	\$1,000.00	\$1,000.00	\$700.00	\$700.00
41	10	EA	3/4" Manual Air Bleed Valve Assembly	\$450.00	\$4,500.00	\$450.00	\$4,500.00	\$500.00	\$5,000.00	\$450.00	\$4,500.00	\$630.00	\$6,300.00	\$400.00	\$4,000.00
42	1	EA	Test Meter Assembly complete and in place	\$650.00	\$650.00	\$1,200.00	\$1,200.00	\$800.00	\$800.00	\$800.00	\$800.00	\$900.00	\$900.00	\$550.00	\$550.00
43	37	EA	Type A Service Connection, complete in place, including water main connection and appurtenances, service line from water main to meter box, meter box installation, and appurtenances, and all associated work	\$490.00	\$18,130.00	\$546.00	\$20,202.00	\$600.00	\$22,200.00	\$500.00	\$18,500.00	\$500.00	\$18,500.00	\$550.00	\$20,350.00
44	30	EA	Type B Service Connection, complete in place, including water main connection and appurtenances, bore and jack under roadway with steel casing pipe and service line from water main to meter box, meter box installation, and appurtenances, and all associated work	\$600.00	\$18,000.00	\$1,100.00	\$33,000.00	\$1,100.00	\$33,000.00	\$1,000.00	\$30,000.00	\$750.00	\$22,500.00	\$750.00	\$22,500.00
45	2	EA	Type A Service Connection with tandem setter and individual home pressure reducing valve, complete in place, including water main connection and appurtenances, service line from water main to meter box, meter installation, and appurtenances, and all associated work	\$550.00	\$1,100.00	\$780.00	\$1,560.00	\$700.00	\$1,400.00	\$550.00	\$1,100.00	\$600.00	\$1,200.00	\$550.00	\$1,100.00
46	3	EA	Type B Service Connection with tandem setter and individual home pressure reducing valve, complete in place, including water main connection and appurtenances, bore and jack under roadway with steel casing pipe and service line from water main to meter box, meter box installation, and appurtenances, and all associated work	\$810.00	\$1,830.00	\$1,300.00	\$3,900.00	\$1,200.00	\$3,600.00	\$1,100.00	\$3,300.00	\$850.00	\$2,550.00	\$750.00	\$2,250.00
47	450	LF	3/4" PE Service Line in Excess of required maximum amount shown in Type A or Type B service connections, Class 200 polyethylene classified PE 3406, complete and in place	\$4.00	\$1,800.00	\$5.00	\$2,250.00	\$5.00	\$2,250.00	\$6.00	\$2,700.00	\$5.00	\$2,250.00	\$12.00	\$5,400.00
48	865	LF	Asphalt Pavement for Repair	\$10.00	\$8,650.00	\$18.00	\$15,570.00	\$20.00	\$17,300.00	\$23.00	\$19,895.00	\$20.00	\$17,300.00	\$17.00	\$14,705.00
49	50	LF	Concrete Repair for driveways and sidewalks	\$10.00	\$500.00	\$22.00	\$1,100.00	\$15.00	\$750.00	\$40.00	\$2,000.00	\$50.00	\$2,500.00	\$20.00	\$1,000.00
50	100	LF	Rip-Rap for Bank Stabilization	\$5.00	\$500.00	\$18.00	\$1,800.00	\$10.00	\$1,000.00	\$15.00	\$1,500.00	\$10.00	\$1,000.00	\$22.00	\$2,200.00
51	150	CY	Concrete for Cradles, Caps, Piers, Anchors & Encasements	\$100.00	\$15,000.00	\$80.00	\$12,000.00	\$90.00	\$13,500.00	\$200.00	\$30,000.00	\$100.00	\$15,000.00	\$130.00	\$19,500.00
52	200	CY	Undercut of water line ditch in excess of details shown on Plans and as specified	\$1.00	\$200.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$12.00	\$2,400.00
53	200	CY	Crushed Stone for backfilling of undercut areas	\$20.00	\$4,000.00	\$30.00	\$6,000.00	\$12.00	\$2,400.00	\$15.00	\$3,000.00	\$5.00	\$1,000.00	\$22.00	\$4,400.00
54	1	LS	Modifications to Existing Fairview Booster Pump Station, complete and in place as shown on the Drawings.	\$117,422.00	\$117,422.00	\$158,792.92	\$158,792.92	\$130,925.00	\$130,925.00	\$185,000.00	\$185,000.00	\$175,000.00	\$175,000.00	\$97,000.00	\$97,000.00
55	1	LS	Modifications to Existing Riverhill Booster Pump Station, complete and in place as shown on the Drawings	\$123,920.00	\$123,920.00	\$151,045.76	\$151,045.76	\$113,225.00	\$113,225.00	\$160,000.00	\$160,000.00	\$175,000.00	\$175,000.00	\$64,000.00	\$64,000.00
TOTAL AMOUNT OF BID FOR CONTRACT W07-01					\$1,597,205.65		\$1,715,507.52		\$1,788,570.00		\$1,950,689.25		\$2,129,318.50		\$2,629,080.00
I do hereby certify that the above is a true and correct copy of the bids received															
 Louis E. Robbins, P.E. GRW Engineers, Inc. Kentucky License No. 12662															

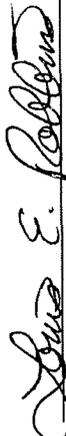
\*Denotes error in bid

CERTIFIED BID TABULATION  
 EDMONSON COUNTY WATER DISTRICT  
 250,000 GALLON ELEVATED WATER TANK & APPURTENANCES



CONTRACT W07-02: 250,000 GALLON ELEVATED WATER TANK		Caldwell Tanks, Inc. 4000 Tower Road Louisville, KY 40219		Phoenix Fabricators & Erectors 182 S. County Road, 900 East Avon, IN 46123	
Item No.	Approx. Quantity	Unit	Description	Unit Price	Total Price
1	1	LS	250,000 Gallon Elevated Water Storage Tank, piping, fencing, and all associated appurtenances.	\$605,440.00	\$724,508.00
2	1	LS	Installation and setup of SCADA System and associated appurtenances. App'd Mfg. Furnished: Southeastern Control Services	\$42,490.00	\$35,000.00
<b>TOTAL BID PRICE</b>				\$652,930.00	\$759,508.00
				LOW BIDDER	

I do hereby certify that the above is a true and correct copy of the bids received.

  
 Louis E. Robbins, P.E.  
 GRW Engineers, Inc.  
 Kentucky License No. 12662

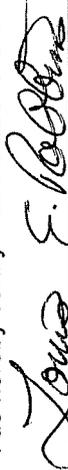
CERTIFIED BID TABULATION  
EDMONSON COUNTY WATER DISTRICT  
WAX WATER TREATMENT PLANT MODIFICATIONS



**GRW Elrod Dunson, Inc.**

CONTRACT W07-03: WAX WATER TREATMENT PLANT MODIFICATIONS		NAC Heavy Highway, Inc. 623 Blue Sky Parkway Lexington, KY 40509		Smith Contractors, Inc. 1241 Bypass North Lawrenceburg, KY 40342	
Item No.	Approx. Quantity	Unit	Description	Unit Price	Total Price
1	1	LS	Contact tank, piping, valves and all appurtenances	\$291,000.00	\$350,000.00
2	1	LS	Carbon feeder, building modifications and all appurtenances	\$80,000.00	\$80,000.00
3	1	LS	Chemical metering pump and all appurtenances	\$4,000.00	\$30,000.00
<b>TOTAL BID PRICE</b>				<b>\$375,000.00</b>	<b>\$460,000.00</b>
				<b>LOW BIDDER</b>	

I do hereby certify that the above is a true and correct copy of the bids received.

  
Louis E. Robbins, P.E.

GRW Engineers, Inc.  
Kentucky License No. 12662





**United States Department of Agriculture  
Rural Development**  
Kentucky State Office

May 18, 2007

**SUBJECT:** Edmonson County Water District  
2005 Water System Improvements  
Contract Award Concurrence

**TO:** Area Director  
Columbia, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of subject project to the low bidder on Contract 1, Horsley Construction, Inc., in the amount of \$1,597,205.65, the low bidder on Contract 2, Caldwell Tanks, Inc., in the amount of \$652,930.00, and the low bidder on Contract 3, NAC Heavy Highway Inc., in the amount of \$375,000.00.

If you have any questions, please contact Julie Anderson, State Engineer, at (859) 224-7348.

  
KENNETH SLONE  
State Director  
Rural Development

cc: GRW Engineers, Inc.  
Nashville, Tennessee

~~Ogden Newell & Welch~~  
Louisville, Kentucky

771 Corporate Drive • Suite 200 • Lexington, KY 40503  
Phone: (859) 224-7300 • Fax: (859) 224-7425 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

*Committed to the future of rural communities*

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).



NOTICE OF ADJUSTMENT OF WATER RATES

Edmonson County Water District  
Edmonson, Warren, Grayson and Hart Counties, Kentucky

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky under KRS 278.023 by the Edmonson County Water District (the "District"), the District proposes to adjust its monthly water service rates and charges as follows:

<u>Present Rates</u>		<u>Proposed Rates</u>	
First 1,500 gallons	\$ 9.85 minimum	First 1,500 gallons	\$ 11.50 minimum
Next 6,500 gallons	4.25 per 1,000 gallons	Next 23,500 gallons	4.35 per 1,000 gallons
Next 12,000 gallons	3.90 per 1,000 gallons	All over 25,000 gallons	3.45 per 1,000 gallons
All over 20,000 gallons	2.90 per 1,000 gallons		
Wholesale to City of Brownsville	2.00 per 1,000 gallons	Wholesale to City of Brownsville	2.70 per 1,000 gallons

By use of federal loan and grant proceeds and local funds, the District plans to construct and install new water lines and facilities to improve service to existing customers and serve approximately 67 new customers, including approximately 104,500 linear feet of water lines and associated improvements, a new elevated water storage tank and water treatment plant improvements.

EDMONSON COUNTY WATER DISTRICT  
Nelson Sanders, Manager  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky 42210  
(270) 597-2165

THE ONLET ~~NEWSPAPER~~  
**EDMONSON NEWS**

Member: Kentucky Press Association  
National Newspaper Association  
Kentucky Weekly Newspaper Association

P. O. Box 69  
BROWNSVILLE, KENTUCKY 42210  
502-597-3115  
Fax 502-597-3115

**AFFIDAVIT**

**PROOF OF PUBLICATION OF ADVERTISING**

I, Catherine Canty, do hereby certify that hold the position of Publisher with the Edmonson News in Brownsville, Kentucky, and in such position have the responsibility for the publication of advertising in said newspaper and have custody of the records of said newspaper concerning the publication of advertising and that the attached advertisement has been published in all editions of said newspaper on 6-7-07.

Catherine Canty

Subscribed and sworn to before me in my presence this the 8<sup>th</sup> day of June, 2007.

Charlotte Stice  
Notary Public

My commission expires the 4 day of May, 2011.

**NOTICE OF ADJUSTMENT OF WATER RATES**

**Edmonson County Water District  
Edmonson, Warren, Grayson and Hart Counties, Kentucky**

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky under KRS 278.023 by the Edmonson County Water District (the "District"), the District proposes to adjust its monthly water service rates and charges as follows:

	<u>Present Rates</u>		<u>Proposed Rates</u>
First 1,500 gallons	\$ 9.85 minimum	First 1,500 gallons	\$ 11.50 minimum
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By use of federal loan and grant proceeds and local funds, the District plans to construct and install new water lines and facilities to improve service to existing customers and serve approximately 67 new customers, including approximately 104,500 linear feet of water lines and associated improvements, a new elevated water storage tank and water treatment plant improvements.

EDMONSON COUNTY WATER DISTRICT  
Nelson Sanders, Manager  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky 42210  
(270) 597-2165

---

# DAILY NEWS

813 College St.

P.O. Box 90012

Bowling Green, KY 42102-9012

---

## AFFIDAVIT OF PUBLICATION

William W. Davis  
Attn: Karen Schaefer  
2000 PNC Plaza  
500 W. Jefferson St.  
Louisville, KY 40202

### RE; VERIFICATION OF INSERTION

This is to certify that on, Thursday, June 7, 2007 a NOTICE OF ADJUSTMENT advertisement ran in the Daily News, a newspaper in and for the county of Warren, city of Bowling Green, and state of Kentucky.

I further certify that all of the foregoing facts are true on such date aforesaid.

Dated this 11<sup>th</sup> day of June.



Subscribed and sworn to before me this 11<sup>th</sup> day of June 2007.

My commission expires: October 19, 2010.



Serving Southern Kentucky Since 1854

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Main (270) 781-1700 • Circulation (270) 783-3200 • Fax: (270) 781-0726 • News Fax: (270) 783-3237

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WKCT - AM 930 • WDNS - FM 93.3  
The Number One Radio Voices of the Daily News

**DAILY NEWS, BOWLING GREEN, KENTUCKY**

**THURSDAY, JUNE 7, 2007**

**NOTICE OF ADJUSTMENT OF WATER RATES**  
**Edmonson County Water District**  
**Edmonson, Warren, Grayson and Hart Counties, Kentucky**

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky under KRS 278.023 by the Edmonson County Water District (the "District"), the District proposes to adjust its monthly water service rates and charges as follows:

<u>Present Rates</u>	<u>Proposed Rates</u>
First 1,500 gallons.....\$9.85 minimum	First 1,500 gallons.....\$11.50 minimum
Next 6,500 gallons..... 4.25 per 1,000 gallons	Next 23,500 gallons..... 4.35 per 1,000 gallons
Next 12,000 gallons..... 3.90 per 1,000 gallons	All over 25,000 gallons..... 3.45 per 1,000 gallons
All over 20,000 gallons..... 2.90 per 1,000 gallons	
Wholesale to City	Wholesale to City
of Brownsville..... 2.00 per 1,000 gallons	of Brownsville..... 2.70 per 1,000 gallons

By use of federal loan and grant proceeds and local funds, the District plans to construct and install new water lines and facilities to improve service to existing customers and serve approximately 67 new customers, including approximately 104,500 linear feet of water lines and associated improvements, a new elevated water storage tank and water treatment plant improvements.

EDMONSON COUNTY WATER DISTRICT  
Nelson Sanders, Manager  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky, 42210  
(270)597-2165

**The Record**  
209 C West White Oak Street  
Leitchfield, KY 42754  
270-259-6061

**AFFIDAVIT  
PROOF OF PUBLICATION**

I, Michelle Chino do hereby certify that I hold  
the position of Office Manager with  
The Record, 209 C West White Oak Street, Leitchfield,  
KY 42754, and in such position have the responsibility  
of publication of display advertising in said newspaper  
and that the attached advertisement has been published  
in all editions of said newspaper on 6/7/07.

Notice of Adjustment of Water Rates  
(Title)

Subscribed and sworn before me in my presence, this  
the 17 day of June.

Deborah Lasley  
(Notary Public)

My commission expires Oct. 31, 2009.

THURSDAY, JUNE 7, 2007

The Record, Leitchfield, KY 42754

NOTICE OF ADJUSTMENT OF WATER RATES

Edmonson County Water District  
Edmonson, Warren, Grayson and Hart Counties, Kentucky

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky under KRS 278.023 by the Edmonson County Water District (the "District"), the District proposes to adjust its monthly water service rates and charges as follows:

Present Rates			Proposed Rates		
First 1,500 gallons	\$	9.85 minimum	First 1,500 gallons	\$	11.50 minimum
Next 6,500 gallons		4.25 per 1,000 gallons	Next 23,500 gallons		4.35 per 1,000 gallons
Next 12,000 gallons		3.90 per 1,000 gallons	All over 25,000 gallons		3.45 per 1,000 gallons
All over 20,000 gallons		2.90 per 1,000 gallons			
Wholesale to City of Brownsville		2.00 per 1,000 gallons	Wholesale to City of Brownsville		2.70 per 1,000 gallons

By use of federal loan and grant proceeds and local funds, the District plans to construct and install new water lines and facilities to improve service to existing customers and serve approximately 67 new customers, including approximately 104,500 linear feet of water lines and associated improvements, a new elevated water storage tank and water treatment plant improvements.

EDMONSON COUNTY WATER DISTRICT  
Nelson Sanders, Manager  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky 42210  
(270) 597-2165

AFFIDAVIT

This is to certify that the 7 day of June,  
2007 an ad for Edmonson Co Water District

was published in the regular edition of the Hart Co News  
Herald, a newspaper published for general  
circulation in the City of Horse Cave, Hart  
County and adjoining counties.

Pam Wright

COMMONWEALTH OF KENTUCKY

County of Hart

The foregoing was subscribed and sworn to before me by \_\_\_\_\_  
Pam Wright on this 7 day of June,  
in 2007.

Lesia Logsdon

Notary Public, Kentucky, State-At-Large

My commission expires: 02-09-11



THE HART COUNTY

NEWS-HERALD

print@scrtc.com

www.jobepublishinginc.com

June 7, 2007

## NOTICE OF ADJUSTMENT OF WATER RATES

### Edmonson County Water District Edmonson, Warren, Grayson and Hart Counties, Kentucky

Notice is hereby given that, pursuant to an application filed or to be filed with the Public Service Commission of Kentucky under KRS 278.023 by the Edmonson County Water District (the "District"), the District proposes to adjust its monthly water service rates and charges as follows:

<u>PRESENT RATES</u>		<u>PROPOSED RATES</u>	
First 1,500 gallons .....	\$9.85 (Minimum)	First 1,500 gallons .....	\$11.50 (Minimum)
Next 6,500 gallons .....	\$4.25 (per 1,000 gallons)	Next 23,500 gallons .....	\$4.35 (per 1,000 gallons)
Next 12,000 gallons .....	\$3.90 (per 1,000 gallons)	All over 25,000 gallons .....	\$3.45 (per 1,000 gallons)
All over 20,000 gallons .....	\$2.90 (per 1,000 gallons)	Wholesale to	
Wholesale to		City of Brownsville .....	\$2.70 (per 1,000 gallons)
City of Brownsville .....	\$2.00 (per 1,000 gallons)		

By use of federal loan and grant proceeds and local funds, the District plans to construct and install new waterlines and facilities to improve service to existing customers and serve approximately 67 new customers, including approximately 104,500 linear feet of waterlines and associated improvements, a new elevated water storage tank and water treatment plant improvements.

EDMONSON COUNTY WATER DISTRICT  
Nelson Sanders, Manager  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky 42210  
(270) 597-2165





United States Department of Agriculture  
Rural Development  
Kentucky State Office

May 22, 2007

Mr. Jimmy Mills, Chairman  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky 42210

Re: Letter of Conditions Dated March 22, 2006

Dear Mr. Stewart:

This letter shall serve as Amendment No. 1 to the Letter of Conditions dated March 22, 2006. The purpose of this amendment is to revise conditions of approval relative to a subsequent RUS loan in the amount of \$520,000 to fund a cost overrun.

The Second Paragraph on Page 1 is revised to read as follows:

“ This letter is not to be considered as loan and grant approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$1,720,000; a RUS grant not to exceed \$438,000; a Kentucky Infrastructure Authority (KIA) grant of \$1,038,500; and an applicant cash contribution of \$12,000 through new user connection fees. ”

Paragraph numbered “6” is revised to read as follows:

“ 6. Reserve Accounts:

Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance, pay for repairs, and assist with debt service should the need arise.

The District will be required to deposit \$780 per month into a "Funded Depreciation Reserve Account" until the account reaches \$93,000. The deposits are to be resumed any time the account falls below the \$93,000.

The required monthly deposits to the Reserve Account and required Reserve Account levels are in addition to the requirements of the District's prior bond ordinances.

The monthly deposits to the Reserve Account are required to commence with the first month of the first full fiscal year after the facility becomes operational.

771 Corporate Drive • Suite 200 • Lexington, KY 40503  
Phone: (859) 224-7336 • Fax: (859) 224-7444 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

Committed to the future of rural communities.

\*USDA is an equal opportunity provider, employer and lender.\*  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights,  
1400 Independence Avenue, SW, Washington, DC 20250-9410  
or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

The District also needs to fund an account for short-lived assets by depositing a sum of \$680 monthly into the account. The funds in the short-lived asset account may be used by the District as needed to replace or add short-lived assets in the District's water system. "

Paragraph numbered "13.C" is revised to read as follows:

" 13. Insurance and Bonding:

The following insurance and bonding will be required:

- C. Fidelity Bond - The District will provide Fidelity Bond Coverage for all persons who have access to funds. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of coverage required for all RUS loans is \$520,000. "

Paragraph numbered "24" is revised to read as follows:

" 24. Cost of Facility:

Breakdown of Costs:

Development	\$ 2,625,136
Land and Rights	25,000
Legal and Administrative	27,000
Engineering	329,000
Interest	60,000
Environmental & Other	9,193
Contingencies	<u>133,171</u>
TOTAL	\$ 3,208,500

Financing:

RUS Loan	\$ 1,720,000
RUS Grant	438,000
KIA Grant	1,038,500
Applicant Connection Fees	<u>12,000</u>
TOTAL	\$ 3,208,500 "

Paragraph numbered "25" is revised to read as follows:

" 25. Commitment of Other Project Funds:

This Letter of Conditions is issued contingent upon a firm commitment being in effect prior to advertising for construction bids for the KIA grant in the amount of \$1,038,500. "

• Edmonson County Water District

Page 3

Paragraph numbered "28" is revised to read as follows:

" 28. Rates and Charges:

Rates and charges for facilities and services rendered by the District must be at least adequate to meet cost of maintaining, repairing and operating the water system and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Water rates will be at least:

First	1,500	gallons @ \$	11.50 - Minimum Bill.
Next	23,500	gallons @ \$	4.35 - per 1,000 gallons.
All Over	25,000	gallons @ \$	3.45 - per 1,000 gallons.

The wholesale rate to the City of Brownsville will be \$ 2.70 per 1,000 gallons.

All other provisions of the referenced Letter of Conditions remain in full force and unchanged.

Sincerely,

  
KENNETH SLOANE  
State Director

cc: Area Director - Columbia, Kentucky  
Rural Development Manager - Bowling Green, Kentucky  
Barren River ADD - Bowling Green, Kentucky  
Robert D. Meredith - Brownsville, Kentucky  
Stoll Keenon Ogden - Louisville, Kentucky  
GRW Elrod-Dunson - Nashville, Tennessee  
PSC - ATTN: Bob Amato - Frankfort, Kentucky



RECEIVED MAR 30 2006

MAR 28 2006

**United States Department of Agriculture**  
**Rural Development**  
Kentucky State Office

March 22, 2006

Mr. Harold Stewart, Chairman  
Edmonson County Water District  
1128 Highway 259 North  
Brownsville, Kentucky 42210

Dear Mr. Stewart:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to the application. The loan and/or grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area office staff of USDA Rural Development. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by USDA Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application. It should also be understood that Rural Development is under no obligation to provide additional funds to meet an overrun in construction costs.

This letter is not to be considered as loan and/or grant approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$1,200,000, a RUS grant not to exceed \$438,000, a Kentucky Infrastructure Authority (KIA) grant in the amount of \$770,000, and an applicant contribution in the amount of \$12,000 through new user connection fees.

If Rural Development makes the loan, the interest rate will be the lower of the rate in effect at the time of loan approval or the rate in effect at the time of loan closing, unless the applicant otherwise chooses. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire that further consideration be given to your application.

The "Letter of Intent to Meet Conditions" must be executed within three weeks from the date of this letter or it becomes invalid unless a time extension is granted by Rural Development.

If the conditions set forth in this letter are not met within 240 days from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

In signing Form RD 1942-46, "Letter of Intent to Meet Conditions," you are agreeing to complete the following as expeditiously as possible:

771 Corporate Drive • Suite 200 • Lexington, KY 40503  
Phone. (859) 224-7300 • Fax. (859) 224-7425 • TDD. (859) 224-7422 • Web. <http://www.rurdev.usda.gov/ky>

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

1. Number of Users and Their Contribution:

There shall be 9,094 water users, of which 9,027 are existing users and 67 are new users contributing \$12,000 in connection fees toward the cost of the project. The connection fees will be collected prior to advertising for construction bids and will be placed in the construction account at loan pre-closing, unless spent for authorized purposes prior to loan pre-closing. The Area Director will review and authenticate the number of users and amount of connection fees prior to advertising for construction bids.

2. Grant Agreement:

Attached is a copy of RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

3. Drug-Free Work Place:

Prior to grant approval, the District will be required to execute Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants) Alternative I - For Grantees Other Than Individuals."

4. Repayment Period:

The loan will be scheduled for repayment over a period not to exceed 40 years from the date of the bond. Principal payment will not be deferred for a period in excess of two years from the date of the bond. Payments will be in accordance with applicable KRS, which requires interest to be paid semi-annually (January 1st and July 1st) and principal will be due on or before the first of January. Rural Development may require the District to adopt a supplemental payment agreement providing for monthly payments of principal and interest so long as the bond is held or insured by RUS. Monthly payments will be approximate amortized installments.

5. Recommended Repayment Method:

Payments on this loan can be made using the Preauthorized Debit (PAD) payment method. This procedure eliminates the need for paper checks and ensures timely receipt of RD loan payments. To initiate PAD payments, Form SF 5510, "Authorization Agreement for Preauthorized Payments," should be signed by the District to authorize the electronic withdrawal of funds from your designated bank account on the exact installment payment due date. The Area Director will furnish the necessary forms and further guidance on the PAD procedure.

6. Reserve Accounts:

Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs and assist with debt service should the need arise.

The District will be required to deposit \$555 per month into a "Funded Depreciation Reserve Account" until the account reaches \$66,600. The deposits are to be resumed any time the account falls below the \$66,600.

The required monthly deposits to the Reserve Account and required Reserve Account levels are in addition to the requirements of the District's prior bond ordinances.

The monthly deposits to the Reserve Account are required to commence with the first month of the first full fiscal year after the facility becomes operational.

The District also needs to fund an account for short-lived assets by depositing a sum of \$680 monthly into the account. The funds in the short-lived asset account may be used by the District as needed to replace or add short-lived assets in the District's water system.

7. Security Requirements:

A pledge of gross water revenue will be provided in the Bond Resolution. Bonds shall rank on a parity with existing bonds, if possible.

If this is not possible, the bond will be subordinate and junior to the existing bonds, in which case the District will be required to abrogate its right to issue additional bonds ranking on a parity with the existing bonds, so long as any unpaid indebtedness remains on this bond issue.

8. Land Rights and Real Property:

The District will be required to furnish satisfactory title, easements, etc., necessary to install, maintain and operate the facility to serve the intended users. The pipelines will be on private rights-of-way where feasible. Easements and options are to be secured prior to advertising for construction bids.

9. Organization:

The District will be legally organized under applicable KRS which will permit them to perform this service, borrow and repay money.

10. Business Operations:

The District will be required to operate the system under a well-established set of resolutions, rules and regulations. A budget must be established annually and adopted by the District after review by Rural Development. At no later than loan pre-closing, the District will be required to furnish a prior approved management plan to include, as a minimum, provisions for management, maintenance, meter reading, miscellaneous services, billing, collecting, bookkeeping, making and delivering required reports and audits.

11. Accounts, Records and Audits:

The District will be required to maintain adequate records and accounts and submit annual budgets and year-end reports (annual audits) in accordance with subsection 1780.47 of RUS Instruction 1780 and RUS Staff Instruction 1780-4, a copy of which is enclosed.

12. Accomplish Audits for Years in Which Federal Financial Assistance is Received:

The District will accomplish audits in accordance with OMB Circular A-133, during the years in which federal funds are received. The District will provide copies of the audits to the Area Office and the appropriate Federal cognizant agency as designated by OMB Circular A-133.

13. Insurance and Bonding:

The following insurance and bonding will be required:

- A. Adequate Liability and Property Damage Insurance including vehicular coverage, if applicable, must be obtained and maintained by the District. The District should obtain amounts of coverage as recommended by its attorney, consulting engineer and/or insurance provider.
- B. Worker's Compensation - The District will carry worker's compensation insurance for employees in accordance with applicable state laws.
- C. Fidelity Bond - The District will provide Fidelity Bond Coverage for all persons who have access to funds. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of coverage required for all RUS loans is \$493,000.
- D. Real Property Insurance - The District will obtain and maintain adequate fire and extended coverage on all structures including major items of equipment or machinery located in the structures. The amounts of coverage should be based on recommendations obtained by the District from its attorney, consulting engineer and/or insurance provider. Subsurface lift stations do not have to be covered except for the value of electrical and pumping equipment therein.
- E. Flood Insurance - The District will obtain and maintain adequate coverage on any facilities located in a special flood and mudslide prone areas.

14. Planning and Performing Development:

- A. The engineer should not be authorized to commence work on final plans and specifications until a determination has been made that the project can be planned and constructed within the estimated cost shown in paragraph "24" of this letter. The engineer may then proceed to develop final plans and specifications to be completed no later than 210 days from this date, and prepare bid documents. The Area Director is prepared to furnish the necessary guide to follow so as to keep the project plans and documents within our guidelines and requirements. The project should not be advertised for construction bids until all easements and enforceable options have been obtained, and total funds are committed or available for the project.

- B. The following documents will be submitted to Rural Development for review and must be concurred in by Rural Development prior to advertisement for construction bids:
1. Final plans, specifications and bid documents.
  2. Applicant's letter on efforts to encourage small business and minority-owned business participation.
  3. Legal Service Agreements.
  4. Engineering Agreements.

Revision in these documents will be subject to Rural Development concurrence. Any agreements, contracts, etc. not reviewed and approved by Rural Development will not be eligible for payment from project funds or revenues from facilities financed by this Agency.

Prior to receipt of an authorization to advertise for construction bids, the District will obtain advance clearance from Bond Counsel regarding compliance with KRS 424 pertaining to publishing of the advertisement for construction bids in local newspapers and the period of time the notice is required to be published.

15. Civil Rights & Equal Opportunity:

You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

A. Section 504 of the Rehabilitation Act of 1973:

Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Rural Development financial assistance.

B. Civil Rights Act of 1964:

All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and Subpart E of Part 1901 of this Title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this Title.

C. The Americans with Disabilities Act (ADA) of 1990:

This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, state and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by state and local public entities that provide services, programs, and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities that accommodate the public.

D. Age Discrimination Act of 1975:

This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Rural Development financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

16. Closing Instructions:

The Office of General Counsel, our Regional Attorney, will be required to write closing instructions in connection with this loan. Conditions listed therein must be met by the District.

17. Compliance with Special Laws and Regulations:

The District will be required to conform to any and all state and local laws and regulations affecting this type project.

18. Treatment Plant/System Operator:

The District is reminded that the treatment plant and/or system operator must have an Operator's Certificate issued by the State.

19. Prior to Pre-Closing the Loan, the District Will Be Required to Adopt:

- A. Form RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)."
- B. Form RD 400-1, "Equal Opportunity Agreement."
- C. Form RD 400-4, "Assurance Agreement."
- D. Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transaction."
- E. Form RD 1910-11, "Applicant Certification Federal Collection Policies for Consumer or Commercial Debts."
- F. RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans."
- G. RUS Bulletin 1780-22, "Eligibility Certification."

20. Refinancing and Graduation Requirements:

The District is reminded that if at any time it shall appear to the Government that the District is able to refinance the amount of the RUS indebtedness then outstanding, in whole or in part, by obtaining a loan from commercial sources at reasonable rates and terms, upon the request of the Government, the District will apply for and accept such loan in sufficient amount to repay the Government.

21. Commercial Interim Financing:

The District will be required to use commercial interim financing for the project during construction for the RUS loan portion of the financing, if available at reasonable rates and terms.

Before the loan is closed, the District will be required to provide Rural Development with statements from the contractor, engineer and attorneys that they have been paid to date in accordance with their contract or other agreements and, in the case of the contractor, that he has paid his suppliers and sub-contractors.

22. Disbursement of Project Funds:

A construction account for the purpose of disbursement of project funds (RUS) will be established by the District prior to start of construction. The position of officials entrusted with the receipt and disbursement of RUS project funds will be covered by a "Fidelity Bond," with USDA Rural Development as Co-Obligee, in the amount of construction funds on hand at any one time during the construction phase.

During construction, the District shall disburse project funds in a manner consistent with subsection 1780.76 (e) of RUS Instruction 1780. Form RD 1924-18, "Partial Payment Estimate," or similar form approved by Rural Development, shall be used for the purpose of documenting periodic construction estimates, and shall be submitted to Rural Development for review and acceptance. Prior to disbursement of funds by the District, the Board of Directors shall review and approve each payment estimate. All bills and vouchers must be approved by Rural Development prior to payment by the District.

Form RD 440-11, "Estimate of Funds Needed for 30-Day Period Commencing \_\_\_\_\_," will be prepared by the District and submitted to Rural Development in order that a periodic advance of federal cash may be requested.

Monthly audits of the District's construction account records shall be made by Rural Development.

23. Disbursement of Grant Funds:

The RUS funds will be advanced as they are needed in the amount(s) necessary to cover the RUS proportionate share of obligations due and payable by the District. Grant funds, upon receipt, must be deposited in an interest bearing account in accordance with 7 CFR part 3016 (as applicable). Interest earned on grant funds in excess of \$100 (as applicable) per year will be submitted to RUS at least quarterly.

24. Cost of Facility:

## Breakdown of Costs:

Development	\$ 1,888,000
Land and Rights	5,000
Legal and Administrative	25,000
Engineering	255,000
Interest	60,000
Environmental Review	5,000
Contingencies	<u>182,000</u>
TOTAL	\$ 2,420,000

## Financing:

RUS Loan	\$ 1,200,000
RUS Grant	438,000
KIA Grant	770,000
Applicant Contribution	<u>12,000</u>
TOTAL	\$ 2,420,000

25. Commitment of Other Project Funds:

This Letter of Conditions is issued contingent upon a firm commitment being in effect prior to advertising for construction bids for the KIA grant in the amount of \$770,000.

26. Use of Remaining Project Funds:

The applicant contribution/connection fees shall be considered as the first funds expended. After providing for all authorized costs, any remaining project funds will be considered to be RUS/KIA grant funds and refunded in proportion to participation in the project. If the amount of unused project funds exceeds the grants, that part would be RUS loan funds.

27. Proposed Operating Budget:

You will be required to submit to Rural Development a copy of your proposed annual operating budget that supports the proposed loan repayment prior to this agency giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow, subject to completion of this project in the first full year of operation. Form RD 442-7, "Operating Budget," or similar form may be utilized for this purpose.

28. Rates and Charges:

Rates and charges for facilities and services rendered by the District must be at least adequate to meet cost of maintaining, repairing and operating the utility system and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Water rates will be at least:

First	1,500	gallons @ \$	11.50 - Minimum Bill.
Next	23,500	gallons @ \$	4.35 - per 1,000 gallons.
All Over	25,000	gallons @ \$	3.45 - per 1,000 gallons.

Wholesale water rates will be in accordance with existing water purchase contracts and any amendments thereto.

29. Compliance with the Bioterrorism Act:

Prior to pre-closing the loan, the District will provide a certification they have completed a Vulnerability Assessment (VA) and prepared an emergency response plan (ERP) as required by the Safe Drinking Water Act (SDWA).

30. Floodplain Construction:

The District will be required to pass and adopt a Resolution or amend its By-Laws whereby the District will deny any utility service to any future customer wishing to build on or develop property located within a designated floodplain. If a customer or developer requests service for construction in a designated floodplain, the customer or developer must provide evidence and a justification for approval by the District and Rural Development officials that there are no other alternatives to construction or development within the designated floodplain. The community must be a participant in the National Flood Insurance Program (NFIP) and the customer or developer must obtain the required permits prior to the tap on restrictions being waived.

31. Water Withdrawal Permit:

The District will be required to obtain satisfactory evidence that a revised water withdrawal permit has been secured from the Division of Water. The permit must be obtained prior to the commencement of construction on the water project.

32. Mitigation Measures:

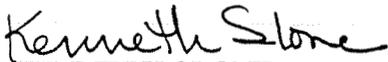
- A. The project shall be in compliance with all requirements noted in the Governor's Office for Local Development letter dated July 8, 2005, from Mr. Ronald W. Cook, Manager.
- B. The design and construction shall be in compliance with the requirements of the U.S. Fish and Wildlife Service as requested by letter dated January 13, 2006, and signed by Virgil Lee Andrews, Jr., Field Supervisor.
- C. The line design and construction shall be accomplished in a way that will leave flood plains and farmland without affect after construction is complete. The Army Corps of Engineers Nationwide Permit No. 12 applies to all floodplain and wetland utility line construction.
- D. The design and construction shall be in compliance with all local, state and federal environmental statutes, regulations and executive orders applicable to the project.

33. Final Approval Conditions:

Final approval of this assistance will depend on your willingness, with the assistance of all your co-workers, to meet the conditions of this letter in an orderly and systematic manner. Then too, final approval will depend on funds being available.

If you desire to proceed with your application, the Area Director will allot a reasonable portion of time to provide guidance in application processing.

Sincerely,

  
KENNETH SLONE  
State Director

Enclosures

cc: Area Director - Columbia, Kentucky  
Rural Development Manager - Bowling Green, Kentucky  
Barren River ADD - Bowling Green, Kentucky  
Robert D. Meredith - Brownsville, Kentucky  
Ogden, Newell & Welch - Louisville, Kentucky  
GRW Elrod-Dunson, Inc. - Nashville, Tennessee  
PSC - ATTN: Bob Amato - Frankfort, Kentucky



**United States Department of Agriculture**  
**Rural Development**  
Kentucky State Office

January 19, 2007

Attn: William W. Davis  
Stoll, Keenon, Ogden  
1700 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202-2874

Re: Edmonson County Water District  
\$1,200,000 Bond Issue

Dear Mr. Davis:

We are enclosing the Maturity Schedule for the referenced Bond Issue. The required deposits to the Funded Depreciation Reserve Account are \$555 per month with a required level of \$66,600. The Rural Development loan of \$1,200,000 was approved at an interest rate of 4.375%.

We are attempting to obtain the Regional Attorney's Closing Instructions at an earlier date in an effort to avoid delays in scheduling bond sales and pre-closing. Hopefully, you will be able to draft the bond authorizing documents at such a time to coincide with the Advertisement for Construction Bids. We plan to request Closing Instructions at the same time we authorize the District to advertise for construction bids.

Please provide this office with one copy of the proposed documents and forward one copy to the Rural Development Area Office.

Please let us know if you have any questions.

Sincerely,

  
KENNETH SLONE  
State Director

Enclosure

cc: Area Director - Columbia, Kentucky  
GRW Elrod-Dunson, Inc. - Nashville, Tennessee

771 Corporate Drive • Suite 200 • Lexington, KY 40503  
Phone: (859) 224-7336 • Fax: (859) 224-7444 • TDD: (859) 224-7422 • Web: <http://www.rurdev.usda.gov/ky>

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1400 Independence Avenue, SW, Washington, DC 20250-9410  
or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)



### BOND SCHEDULE, 1/19/2007

Name of Borrower: Edmonson County Water District			
Amount of Loan	1200000	Annual Interest Rate	0.04375
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	false
Principal Payment Units	1000	Interest Payment Units	1

YEAR	PERIOD	NUMBER	PAYMENT	INTEREST	PRINCIPAL	BALANCE
2008	1	1	52500	52500	0	1200000
2009	1	2	52500	52500	0	1200000
2010	1	3	65500	52500	13000	1187000
2011	1	4	64932	51932	13000	1174000
2012	1	5	65363	51363	14000	1160000
2013	1	6	65750	50750	15000	1145000
2014	1	7	65094	50094	15000	1130000
2015	1	8	65438	49438	16000	1114000
2016	1	9	65738	48738	17000	1097000
2017	1	10	64994	47994	17000	1080000
2018	1	11	65250	47250	18000	1062000
2019	1	12	65463	46463	19000	1043000
2020	1	13	65632	45632	20000	1023000
2021	1	14	65757	44757	21000	1002000
2022	1	15	65838	43838	22000	980000
2023	1	16	64875	42875	22000	958000
2024	1	17	64913	41913	23000	935000
2025	1	18	64907	40907	24000	911000
2026	1	19	64857	39857	25000	886000
2027	1	20	65763	38763	27000	859000
2028	1	21	65582	37582	28000	831000
2029	1	22	65357	36357	29000	802000
2030	1	23	65088	35088	30000	772000
2031	1	24	65775	33775	32000	740000
2032	1	25	65375	32375	33000	707000
2033	1	26	64932	30932	34000	673000
2034	1	27	65444	29444	36000	637000
2035	1	28	64869	27869	37000	600000
2036	1	29	65250	26250	39000	561000
2037	1	30	65544	24544	41000	520000
2038	1	31	65750	22750	43000	477000
2039	1	32	64869	20869	44000	433000
2040	1	33	64944	18944	46000	387000
2041	1	34	64932	16932	48000	339000
2042	1	35	65832	14832	51000	288000
2043	1	36	65600	12600	53000	235000
2044	1	37	65282	10282	55000	180000
2045	1	38	64875	7875	57000	123000
2046	1	39	65382	5382	60000	63000
2047	1	40	65757	2757	63000	0
<b>TOTALS</b>			<b>2587503</b>	<b>1387503</b>	<b>1200000</b>	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.



**United States Department of Agriculture**  
**Rural Development**  
Kentucky State Office

June 4, 2007

Attn: William W. Davis  
Stoll Keenon Ogden  
1700 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202-2874

Re: Edmonson County Water District  
\$520,000 Series B Bond Issue

Dear Mr. Davis:

We are enclosing the Maturity Schedule for the referenced Bond Issue. The new required deposits to the Funded Depreciation Reserve Account covering both the Series A and the Series B Bonds are \$780 per month with a new required level of \$93,000. The Rural Development Series B loan of \$520,000 was approved at an interest rate of 4.125%.

We are attempting to obtain the Regional Attorney's Closing Instructions at an earlier date in an effort to avoid delays in scheduling bond sales and pre-closing. Hopefully, you will be able to draft the bond authorizing documents at such a time to coincide with the Advertisement for Construction Bids. We plan to request Closing Instructions at the same time we authorize the District to advertise for construction bids.

Please provide this office with one copy of the proposed documents and forward one copy to the Rural Development Area Office.

Please let us know if you have any questions.

Sincerely,

  
KENNETH SLONE  
State Director

Enclosure

cc: Area Director - Columbia, Kentucky  
GRW Elrod-Dunson - Nashville, Kentucky

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or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)



## BOND SCHEDULE, 6/4/2007

Name of Borrower: Edmonson County Water District			
Amount of Loan	520000	Annual Interest Rate	0.04125
Number of Initial Interest Only Payments	2	Number of principal and/or Interest Payments	40
Payment Frequency	Annual	This is a split payment bond.	false
Principal Payment Units	1000	Interest Payment Units	1

YEAR	PERIOD	NUMBER	PAYMENT	INTEREST	PRINCIPAL	BALANCE
2008	1	1	21450	21450	0	520000
2009	1	2	21450	21450	0	520000
2010	1	3	27450	21450	6000	514000
2011	1	4	27203	21203	6000	508000
2012	1	5	26955	20955	6000	502000
2013	1	6	27708	20708	7000	495000
2014	1	7	27419	20419	7000	488000
2015	1	8	27130	20130	7000	481000
2016	1	9	26842	19842	7000	474000
2017	1	10	27553	19553	8000	466000
2018	1	11	27223	19223	8000	458000
2019	1	12	26893	18893	8000	450000
2020	1	13	27563	18563	9000	441000
2021	1	14	27192	18192	9000	432000
2022	1	15	27820	17820	10000	422000
2023	1	16	27408	17408	10000	412000
2024	1	17	26995	16995	10000	402000
2025	1	18	27583	16583	11000	391000
2026	1	19	27129	16129	11000	380000
2027	1	20	27675	15675	12000	368000
2028	1	21	27180	15180	12000	356000
2029	1	22	27685	14685	13000	343000
2030	1	23	27149	14149	13000	330000
2031	1	24	27613	13613	14000	316000
2032	1	25	27035	13035	14000	302000
2033	1	26	27458	12458	15000	287000
2034	1	27	26839	11839	15000	272000
2035	1	28	27220	11220	16000	256000
2036	1	29	27560	10560	17000	239000
2037	1	30	26859	9859	17000	222000
2038	1	31	27158	9158	18000	204000
2039	1	32	27415	8415	19000	185000
2040	1	33	27632	7632	20000	165000
2041	1	34	27807	6807	21000	144000
2042	1	35	26940	5940	21000	123000
2043	1	36	27074	5074	22000	101000
2044	1	37	27167	4167	23000	78000
2045	1	38	27218	3218	24000	54000
2046	1	39	27228	2228	25000	29000
2047	1	40	30197	1197	29000	0
<b>TOTALS</b>			<b>1083075</b>	<b>563075</b>	<b>520000</b>	

Warning: This schedule is an estimate of payments. Rural Development calculates interest amounts and principle reduction as of the date the payment is processed. Because over the life of the loan payments will be processed on dates other than the due date, the actual interest amounts and principle reduction will not match the schedule provided here.